State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

# Filing at a Glance

SERFF Tracking #: ALLB-130164458

Company: Allianz Life Insurance Company of North America

Product Name: LTC RATE FILING 2015 GP2

State: Virginia

TOI: LTC03I Individual Long Term Care

Sub-TOI: LTC03I.001 Qualified

Filing Type: Form/Rate
Date Submitted: 10/16/2015

SERFF Tr Num: ALLB-130164458

SERFF Status: Closed-Approved and Filed

State Tr Num: ALLB-130164458
State Status: Approved & Filed

Co Tr Num: LTC RATE FILING 2015 GP2

Implementation On Approval

Date Requested:

Author(s): Carmen Kuechenmeister, Sandy Manos, Chris Hughes, Ouling Lu, Jacob Snyder, Scott

Schueller, Joe Thomas, Christopher Delso, Michael Emmert

Reviewer(s): Janet Houser (primary)

Disposition Date: 06/08/2016

Disposition Status: Approved and Filed

Implementation Date:

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

## **General Information**

Project Name: LTC RATE FILING 2015 GP2 Status of Filing in Domicile: Not Filed

Project Number: LTC RATE FILING 2015 GP2 Date Approved in Domicile:

Requested Filing Mode: Review & Approval Domicile Status Comments: Not Yet Filed

Explanation for Combination/Other: Market Type: Individual Submission Type: New Submission Individual Market Type:

Overall Rate Impact: 60% Filing Status Changed: 06/08/2016
State Status Changed: 06/08/2016

Deemer Date: Created By: Jacob Snyder

Submitted By: Ouling Lu Corresponding Filing Tracking Number:

State TOI: LTC03I Individual Long Term Care

Filing Description:

Allianz Life Insurance Company of North America 5701 Golden Hills Drive Minneapolis, MN 55416-1297

October 4, 2015

Re: Allianz Life Insurance Company of North America / NAIC #90611 / FEIN #41-1366075 Individual Long-Term Care Insurance 11-P-Q-VA et al.

Allianz is submitting for review revised long-term care insurance premium rates for the above referenced forms

Generation Protector II Policy Form Series: 11-P-Q-VA

11-R3 5% LIFETIME COMPOUND BENEFIT INCREASE RIDER - 80% rate increase

11-R2 4% LIFETIME COMPOUND BENEFIT INCREASE RIDER - 70% rate increase

11-R1 3% LIFETIME COMPOUND BENEFIT INCREASE RIDER - 50% rate increase

11-R4 TWO TIMES COMPOUND BENEFIT INCREASE RIDER - 50% rate increase

11-R5 SIMPLE BENEFIT INCREASE RIDER - 50% rate increase

Base Premium Rates – no rate change

The result of this rate increase on the above COLA riders, if approved, is similar to a 60% aggregate rate increase on the base policy form and associated rider nationally. The revised rates will be guaranteed not to increase for 4 years if the proposed rates are approved.

These forms were sold from 2006 to 2009 in Virginia, and marketed nationwide from 2006 through 2009. These forms are no longer being issued in any state as Allianz stopped issuing all long-term care insurance in 2010.

Some of our pricing assumptions for these Benefit Increase Riders, although based on the best information available at the time, have not been consistent with emerging experience. The current premiums are unreasonably low in comparison to the benefits provided by these riders. A rate increase on the above captioned riders is needed to help to bring premiums to more adequate levels.

In the interest of balancing the needs of policyholders, we are limiting our request to an aggregate 60% increase, although a

SERFF Tracking #: ALLB-130164458 State Tracking #: ALLB-130164458

Company Tracking #: LTC RATE FILING 2015 GP2

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

larger increase can be actuarially justified. The attached actuarial memorandum contains justification for this premium increase.

To better enable our policyholders to accommodate these revised premium rates, we will be offering the following options (as available):

- •Maintain current benefit amounts by paying the increased premium.
- •Avoid the rate increase by cancelling the benefit increase riders. For a limited time, policyholder may cancel the Rider and maintain the percentage increases that have been applied.
- •Lessen the impact of the rate increase by reducing benefit amounts and/or benefit periods and/or benefit riders. A reduction may fully or partially offset the premium increase. Benefit amounts must not be less than any minimum policy requirements.
- •Elect the reduced paid-up option in the attached Premium Increase Contingent Benefit Upon Lapse Rider.

Policyholders have the option to avoid or reduce the rate increase by cancelling or reducing their COLA riders. As a part of this rate increase, policyholders who reduce or cancel their COLA benefit riders will maintain all of their past COLA benefit increase percentages. A Policy Endorsement reflecting this additional benefit that's above and beyond the original terms of the COLA rider is being filed for approval. This endorsement also contains confirmation of benefit reductions elected by the policyholder to reduce the impact of the rate increase.

Subject to Department approval of this filing, we plan to begin implementing this increase in 2016. The increase would be effective on a policy's next anniversary following the implementation date. Policy owners will be notified at least 60 days prior to the effective date of their increase. In the notification, Allianz will lay out the above policyholder options (as available).

I certify that no further rate schedule increases are anticipated if the requested premium rate schedule increase is implemented and the underlying assumptions, which reflect moderately adverse conditions, are realized.

There is a limited number of partnership policyholder under the Generation Protector II policy forms. Our company will follow the relevant partnership statues when servicing these policyholders.

Thank you for your consideration of this filing. If you have any questions or if you need additional information to complete your review, please contact me at 763-765-7735, or send an email to Ouling.Lu@AllianzLife.com

Sincerely,

Ouling Lu ASA MAAA Assistant Actuary Allianz Life Insurance Company of North America

# **Company and Contact**

## **Filing Contact Information**

Ouling Lu, Assisitant Actuary ouling.lu@allianzlife.com 5701 Golden Hills Drive 763-765-7735 [Phone] Minneapolis, MN 55416 763-765-6306 [FAX] State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

**Filing Company Information** 

Allianz Life Insurance Company of CoCode: 90611 State of Domicile: Minnesota

North America Group Code: 761 Company Type: 02 5701 Golden Hills Drive Group Name: State ID Number:

Minneapolis, MN 55416-1297 FEIN Number: 41-1366075

(800) 328-5601 ext. [Phone]

# **Filing Fees**

Fee Required? No Retaliatory? No

Fee Explanation:

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

# **Correspondence Summary**

**Dispositions** 

| Status             | Created By   | Created On | Date Submitted |
|--------------------|--------------|------------|----------------|
| Approved and Filed | Janet Houser | 06/08/2016 | 06/08/2016     |

# **Objection Letters and Response Letters**

Objection Letters Response Letters

| Status                               | Created By   | Created On | Date Submitted | Responded By   | Created On | Date Submitted |
|--------------------------------------|--------------|------------|----------------|----------------|------------|----------------|
| Info has been requested from company | Janet Houser | 05/27/2016 | 05/27/2016     | Michael Emmert | 05/31/2016 | 05/31/2016     |
| Info has been requested from company | Janet Houser | 05/12/2016 | 05/12/2016     | Michael Emmert | 05/18/2016 | 05/18/2016     |
| Info has been requested from company | Janet Houser | 04/22/2016 | 04/22/2016     | Michael Emmert | 04/28/2016 | 04/28/2016     |
| Info has been requested from company | Janet Houser | 04/19/2016 | 04/19/2016     | Michael Emmert | 04/28/2016 | 04/28/2016     |
| Disapproved                          | Janet Houser | 11/05/2015 | 11/05/2015     | Michael Emmert | 04/06/2016 | 04/06/2016     |

# **Amendments**

| Schedule            | Schedule Item Name                            | Created By     | Created On | Date Submitted |
|---------------------|---|----------------|------------|----------------|
| Rate                | Rate Tables                                   | Michael Emmert | 06/08/2016 | 06/08/2016     |
| Supporting Document | Long Term Care Insurance Rate Request Summary | Michael Emmert | 06/08/2016 | 06/08/2016     |

**Filing Notes** 

| Subject                  | Note Type        | Created By      | Created On | Date Submitted |
|--------------------------|------------------|-----------------|------------|----------------|
| Rate Request Summary     | Note To Filer    | Janet Houser    | 06/08/2016 | 06/08/2016     |
| 5/27/16 objection letter | Note To Filer    | Janet Houser    | 05/27/2016 | 05/27/2016     |
| experience               | Note To Reviewer | Scott Schueller | 05/26/2016 | 05/26/2016     |
| experience               | Note To Filer    | Janet Houser    | 05/26/2016 | 05/26/2016     |
| RRS                      | Reviewer Note    | Janet Houser    | 06/08/2016 |                |

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

**Project Name/Number:** LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

**Filing Notes** 

| Subject    | Note Type     | Created By   | Created On | Date Submitted |
|------------|---------------|--------------|------------|----------------|
| Act Review | Reviewer Note | Janet Houser | 11/05/2015 |                |

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

# **Disposition**

Disposition Date: 06/08/2016

Implementation Date:

Status: Approved and Filed

Comment: In approving this filing, the Company is reminded that pursuant to 14VAC5-200-153 D, it is required to provide updated experience for the next three years comparing the actual results to the results that the Company projected in justifying the rate increase. We would expect this filing to be made no later than March 1, 2018 and to include updated data through 2017.

|   | Overall % | Overall % | Written Premium | Number of Policy        | Written       | Maximum %      | Minimum %      |
|---|-----------|-----------|-----------------|-------------------------|---------------|----------------|----------------|
| Company   | Indicated | Rate      | Change for      | <b>Holders Affected</b> | Premium for   | Change         | Change         |
| Name:   | Change:   | Impact:   | this Program:   | for this Program:       | this Program: | (where req'd): | (where req'd): |
| Allianz Life Insurance<br>Company of North<br>America | 60.000%   | 60.000%   | \$1,027,284     | 742                     | \$1,712,139   | 80.000%        | 0.000%         |

| Schedule                      | Schedule Item   | Schedule Item Status    | <b>Public Access</b> |
|-------------------------------|---|-------------------------|----------------------|
| Supporting Document (revised) | Certification of Compliance                                       | Received & Acknowledged | Yes                  |
| Supporting Document (revised) | L&H Actuarial Memorandum  | Received & Acknowledged | Yes                  |
| Supporting Document (revised) | L&H Readability - Health  | Received & Acknowledged | Yes                  |
| Supporting Document (revised) | Long Term Care Insurance Rate Request Summary                     | Received & Acknowledged | Yes                  |
| Supporting Document           | Actual to Expected Exhibit  | Received & Acknowledged | Yes                  |
| Supporting Document           | Average Premium   | Received & Acknowledged | Yes                  |
| Supporting Document (revised) | Draft policyholder letter   | Received & Acknowledged | Yes                  |
| Supporting Document           | Response to Objection Received on November 5, 2015                | Received & Acknowledged | Yes                  |
| Supporting Document           | Current Assumption Justification                                  | Received & Acknowledged | Yes                  |
| Supporting Document           | Copy of Policy form 10-P-Q-VA and 11-P-Q-VA                       | Received & Acknowledged | Yes                  |
| Supporting Document (revised) | Documents Provided Alongside the Policyholder Notification Letter | Received & Acknowledged | Yes                  |
| Supporting Document (revised) | Statement of Variability  | Received & Acknowledged | Yes                  |
| Supporting Document           | Response to Objections Received on April 19 and 22 2016           | Received & Acknowledged | Yes                  |
| Supporting Document           | Response to Objection Received on May 12, 2016                    | Received & Acknowledged | Yes                  |

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

| Schedule            | Schedule Item   | Schedule Item Status    | Public Access |
|---------------------|---|-------------------------|---------------|
| Supporting Document | Response to Objection Received on May 27, 2016                    | Received & Acknowledged | Yes           |
| Supporting Document | Current Rate Tables   | Received & Acknowledged | Yes           |
| Supporting Document | Certification of Compliance                                       | Withdrawn               | Yes           |
| Supporting Document | L&H Actuarial Memorandum  | Withdrawn               | Yes           |
| Supporting Document | L&H Actuarial Memorandum  | Withdrawn               | Yes           |
| Supporting Document | L&H Readability - Health  | Withdrawn               | Yes           |
| Supporting Document | L&H Readability - Health  | Withdrawn               | Yes           |
| Supporting Document | L&H Readability - Health  | Withdrawn               | Yes           |
| Supporting Document | Long Term Care Insurance Rate Request Summary                     | Withdrawn               | Yes           |
| Supporting Document | Draft policyholder letter   | Withdrawn               | Yes           |
| Supporting Document | Documents Provided Alongside the Policyholder Notification Letter | Withdrawn               | Yes           |
| Supporting Document | Statement of Variability  | Withdrawn               | Yes           |
| Supporting Document | Statement of Variability  | Withdrawn               | Yes           |
| Supporting Document | Statement of Variability  | Withdrawn               | Yes           |
| Form (revised)      | Policyholder Rate Increase Notification Letter                    | Filed                   | Yes           |
| Form                | Policyholder Rate Increase Notification Letter                    | Withdrawn               | Yes           |
| Form                | Policyholder Rate Increase Notification Letter                    | Withdrawn               | Yes           |
| Form                | Policyholder Rate Increase Notification Letter                    | Withdrawn               | Yes           |
| Rate (revised)      | Rate Tables   | Approved                | Yes           |
| Rate (revised)      | N/A   | Withdrawn               | Yes           |
| Rate (revised)      | N/A   | Withdrawn               | Yes           |
| Rate (revised)      | N/A   | Withdrawn               | Yes           |
| Rate (revised)      | N/A   | Withdrawn               | Yes           |
| Rate                | Rate Tables   | Withdrawn               | Yes           |
| Rate                | 5% LIFETIME COMPOUND BENEFIT INCREASE RIDER                       | Withdrawn               | Yes           |
| Rate                | 4% LIFETIME COMPOUND BENEFIT INCREASE RIDER                       | Withdrawn               | Yes           |
| Rate                | 3% LIFETIME COMPOUND BENEFIT INCREASE RIDER                       | Withdrawn               | Yes           |
| Rate                | TWO TIMES COMPOUND BENEFIT INCREASE RIDER                         | Withdrawn               | Yes           |
| Rate                | SIMPLE BENEFIT INCREASE RIDER                                     | Withdrawn               | Yes           |

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

Product Name: LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

# **Objection Letter**

Objection Letter Status Info has been requested from company

Objection Letter Date 05/27/2016 Submitted Date 05/27/2016

Respond By Date

Dear Ouling Lu,

#### Introduction:

Before we may recommend this filing for approval, there are a few outstanding items that need to be resolved as follows:

## Objection 1

- L&H Actuarial Memorandum (Supporting Document)

Comments: Please amend the Actuarial Certification for compliance with 14VAC5-200-153 B 2 b to indicate the premium rate filing is in compliance with the provisions of this section.

## Objection 2

- 5% LIFETIME COMPOUND BENEFIT INCREASE RIDER, [11-R3] (Rate)
- 4% LIFETIME COMPOUND BENEFIT INCREASE RIDER, [11-R2] (Rate)
- 3% LIFETIME COMPOUND BENEFIT INCREASE RIDER, [11-R1] (Rate)
- TWO TIMES COMPOUND BENEFIT INCREASE RIDER, [11-R4] (Rate)

Comments: Please move the current rate information to Supporting Documentation since these rates are not subject to approval. It is not necessary to list each rider as a separate line item. The forms may all be listed under the "Affected Form Numbers" column and separated by commas.

## Objection 3

- Statement of Variability (Supporting Document)
- Policyholder Rate Increase Notification Letter, S2280-VA (Form)

Comments: There is some information on the Statement of Variability that should be rephrased to remove any potential confusion or misunderstanding:

The values under for anniversary1 states 3/17/2016 as a minimum an 12/31/2100 as a maximum. In this particular instance, a range would not be applicable. The insured must receive a 75 day notice prior to the rate increase. We suggest the explanation should be stated it is the policy anniversary date following the minimum 75 day notice of a rate increase.

Because the effect on partnership status is a required disclosure as set forth in 14VAC5-200-75 D 2 c, please highlight, bold or in some other fashion emphasize this language to bring attention to its importance.

The latest election date states this is the date which the options under the premium increase contingent upon lapse rider is available. For clarification purposes, the contingent benefit upon lapse benefit rider, if the triggers are met, automatically becomes effective if the policy lapses within 120 days of the due date of the premium increase as set forth in 14VAC5-200-185 D 3. Please amend the language accordingly.

#### Conclusion:

 Company Tracking #: LTC RATE FILING 2015 GP2

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

We shall be glad to reconsider this submission upon receipt of the information noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

Thank you for your courtesy and consideration in this matter.

Sincerely,

Janet Houser

Company Tracking #: LTC RATE FILING 2015 GP2

SERFF Tracking #: ALLB-130164458 State Tracking #: ALLB-130164458

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

LTC RATE FILING 2015 GP2 Product Name:

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

# **Objection Letter**

**Objection Letter Status** Info has been requested from company

Objection Letter Date 05/12/2016 Submitted Date 05/12/2016

Respond By Date

Dear Ouling Lu,

#### Introduction:

Thank you for your recent request for additional information. Before further consideration may be given, this new information presents the following concerns and/or questions regarding the policyholder letter and associated forms:

## Objection 1

- Documents Provided Alongside the Policyholder Notification Letter (Supporting Document)
- Statement of Variability (Supporting Document)
- Policyholder Rate Increase Notification Letter, S2280-VA (Form)

Comments: We appreciate your explanation regarding the Return of Premium Rider. Because the benefit is not available in Virginia, please remove this benefit or place brackets around the Return of Premium Rider referenced in the policyholder letter, frequently asked questions and Coverage Change Request form and amend the Statement of Variability to indicate this will not appear in communication addressed to Virginia policyholders. We realize the form uses the word "may" but it remained unclear to us and may be potentially misleading to our policyholders. This simply isn't an option that can be chosen in Virginia and should not be included in the policyholder letter or appear available for selection.

#### Objection 2

- Documents Provided Alongside the Policyholder Notification Letter (Supporting Document)

Comments: 1) Should the option to reduce the benefit period be chosen, please confirm the benefit period will never be reduced than 12 months.

2) According to your response, all policyholders will receive a PICBUL rider which indicates the contingent benefit upon lapse option (CBUL) is available upon "any" rate increase now and in the future. correct? How does the insured know this form replaces the CBUL rider 10-E-1-VA which was approved with the policy?

### Objection 3

- Policyholder Rate Increase Notification Letter, S2280-VA (Form)

Comments: The letter references the full corporate name of the insurer and later as only Allianz. While we do not have a concern regarding this format, the letter should explain that the corporate name may be referred to as Allianz. Our concern would be resolved if the first sentence of the letter were stated as At Allianz Life Insurance Company of North America (Allianz), our highest priority is fulfilling our commitments to our policyholders."

## Conclusion:

We shall be glad to reconsider this submission upon receipt of the information noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

Thank you for your courtesy and consideration in this matter.

Sincerely,

Janet Houser

State Tracking #: ALLB-130164458

Filing Company:

Allianz Life Insurance Company of North America

SERFF Tracking #: ALLB-130164458 Company Tracking #: LTC RATE FILING 2015 GP2

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

LTC RATE FILING 2015 GP2 Product Name:

Virginia

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

# **Objection Letter**

**Objection Letter Status** Info has been requested from company

Objection Letter Date 04/22/2016 Submitted Date 04/22/2016

Respond By Date

State:

Dear Ouling Lu,

#### Introduction:

After further review by the forms examiner, there are several additional concerns that need to be addressed as follows:

- 1) The Coverage Change Request Form states under Option D that the policy can be paid up through a return of premium rider (ROP). The two ROP riders found in the copies of policy forms submitted with this filing are triggered by the insured's death, not due to an increase in premiums. Please explain how an ROP would be applicable in this situation. If not applicable, please remove this language from the Coverage Change Reguest and the Frequently Asked Questions section of the letter.
- 2) The Statement of Variability for the Policy Endorsement regarding the number of notification days prior to a rate increase should be changed to a minimum of 75 days pursuant to 14VAC5-200-75 D.
- 3) Will the Contingent Benefit Upon Lapse (CBUL) be offered to all policyholders regardless of the triggers? If that is not the case, the CBUL language must be amended for compliance with revised 14VAC5-185 D 3.

#### Conclusion:

We shall be glad to reconsider this submission upon receipt of the revised forms to address the objections noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

Thank you for your courtesy and consideration in this matter.

Sincerely, Janet Houser

Company Tracking #: LTC RATE FILING 2015 GP2

Allianz Life Insurance Company of North America

SERFF Tracking #: ALLB-130164458 State Tracking #: ALLB-130164458

Filing Company:

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

Product Name: LTC RATE FILING 2015 GP2

Virginia

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

# **Objection Letter**

Objection Letter Status Info has been requested from company

Objection Letter Date 04/19/2016 Submitted Date 04/19/2016

Respond By Date

State:

Dear Ouling Lu,

#### Introduction:

The submission is DISAPPROVED and may not be used in the Commonwealth of Virginia.

Thank you for your recent reply to our request for additional information. Before further consideration may be given, this new information presents the following concerns and /or questions:

### Objection 1

- Response to Objection Received on November 5, 2015 (Supporting Document)

Comments: 1.Based on the data provided in Table 4 of the April 6, 2016 response letter, the experienced voluntary lapse rate for durations 7+ is 0.99%. Please provide a sensitivity analysis projection using an ultimate voluntary lapse rate of 1.0%. Please include the corresponding 58/85 test with no reduction in benefits or adverse selection.

2.Please comment on the Companys standard for full credibility and the corresponding credibility of the experience underlying the morbidity assumptions. Please include the number of claims in the historical experience.

#### Objection 2

- Policyholder Rate Increase Notification Letter, S2280-VA (Form)

Comments: 1) Question 3 under the Frequently asked questions (FAQ) states the company does not request rate increases in a state when premiums are sufficient to cover the projected cost of the benefits for that particular state. Is this statement correct? Is the company rating premium and experience on a national basis or is Virginia only experience considered credible?

- 2) Please change the reference from Virginia Bureau of Insurance to the Virginia State Corporation Commission.
- 3) Please include language that advises the insure of the right to a revised premium rate or rate schedule pursuant to 14VAC5-200-75 A 4 b.
- 4) The disclosure under Question 4 of the FAQ regarding partnership status must be emphasized since this is a disclosure required by 14VAC5-200-75-D 2 c. This may be accomplished by bolding, highlighting, using larger print or any other method that will bring attention to this information.
- 5) Please expand upon the reason for the rate increase. The first question under the FAQ states the increase is due to a combination of factors outlined in question 2. It is not clear, however, what the drivers are of this increase. As a suggestion, the company may wish to state something to the effect that the rate increase is due in part to individuals living longer and keeping their policies longer, which has resulted in more claims being filed than what was anticipated when the policy was originally priced. Premiums need to be adjusted to ensure there is adequate funding to pay current and anticipated future claims.
- 6) The policy forms are under review by another examiner.

### Conclusion:

We shall be glad to reconsider this submission upon receipt of the information noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

SERFF Tracking #: ALLB-130164458 State Tracking #: ALLB-130164458

Company Tracking #: LTC RATE FILING 2015 GP2

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

Thank you for your courtesy and consideration in this matter.

Sincerely,

Janet Houser

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

Product Name: LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

# **Objection Letter**

Objection Letter Status Disapproved
Objection Letter Date 11/05/2015
Submitted Date 11/05/2015

Respond By Date

Dear Ouling Lu,

#### Introduction:

The submission is DISAPPROVED and may not be used in the Commonwealth of Virginia.

A preliminary review of the submitted filing indicates the following concerns and questions. We'll continue our review of the submitted filing upon receipt of the following information.

## Objection 1

- L&H Actuarial Memorandum (Supporting Document)

Comments: According to the filing, these riders are attached to the Generation Protector II Policy Form Series: 11-P-Q-VA. Please provide the form numbers of all policies approved in this series exactly as each form was approved and provide the approval date and SERFF tracking number.

## Objection 2

Comments: According to the General Information in SERFF, a policy endorsement form reflecting the change in the COLA benefits is being filed for approval. Please provide the SERFF tracking number and date of submission.

Also indicated in the General Information is the option to elect the reduced paid-up option the attached Premium Increase Contingent Benefit Upon Lapse Rider. Unfortunately, I am unable to locate this document and ask that it be resent. Please provide the form number, SERFF tracking number, and approval date for our records.

### Objection 3

- Draft policyholder letter (Supporting Document)

Comments: The Virginia State Corporation Commission recently adopted revisions to the Rules Governing Long-Term Care Insurance set forth in Chapter 200 of Title 14 of the Virginia Administrative Code. Except as specifically provided in the regulation, the changes are effective September 1, 2015. The Order adopting the revisions to the long term care insurance regulation and all related documents are located on the commissions website at http://www.scc.virginia.gov/DocketSearch#/caseDetails/132748.

As part of the revisions, the commission revised the requirements for policyholder notifications regarding rate increases as stated in 14 VAC5-200-75 D. For compliance with this regulation, please revise the letters to include the following information:

- 1. For compliance with 14VAC5-200-75,
- a) A 2 requires a statement that should there be future rate increases, options similar to those being offered now will be available. Please also indicate that changes in benefits may be done at any time upon the insureds request
  - b) A 4 requires a statement that the insured has a right to a revised premium rate or rate schedule upon request.
- 2. A clear explanation of options available to the policyholder as alternatives to paying the increased premium amount, including:
  - a) An offer to reduce policy benefits provided by the current coverage consistent with the requirements of 14VAC5-200-183;

Company Tracking #: LTC RATE FILING 2015 GP2

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

b) A disclosure stating that all options available to the policyholder may not be of equal value. Since this is a disclosure, this information should prominent such as being highlighted, bolded, or in large print.

- c) In the case of a partnership policy, a disclosure that some benefit reduction options may result in a loss in partnership status that may reduce policyholder protections, and, as stated above, should be a prominent statement.
- 3. A clear identification of the driving factors of the premium rate increase. What the company has stated in the letters does not satisfy this requirement and should explain what has changed since the policy was priced originally that has created the need for such a significant increase. In other words, what has impacted the assumptions that were used when the policy was priced? The Bureau of Insurance feels it may be more logical to state the reasons for the increase at the beginning of the letter rather than at the end of the letter.
- 4. A statement substantially similar to the following:

The rate increase request was reviewed by Virginias State Corporation Commission and was found to be compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection and may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI.

Because the letter must be "filed", please attach the amended letters to the Form Schedule in SERFF in compliance with the requirements of Chapter 100 of Title 14 of the Virginia Administrative Code including a Certification of Compliance. The letter will require a form number as set forth in 14VAC5-100-50 1 and should be submitted on company letterhead for compliance with 14VAC5-100-50 2 requiring the full and proper name of the insurer to prominently appear. Please include a Statement of Variability, if applicable.

5. The General Information in SERFF stated a notice would be sent 60 days prior to the effective date of the increase. Please be aware that as a result of the revised regulations, a notice of at least 75 days is now required as set forth in 14VAC5-200-75 D.

### Objection 4

- Draft policyholder letter (Supporting Document)

Comments: Please provide a copy of all the enclosure forms noted in the letter. Will the coverage change request form be attached to the policy? If so, please provide the SERFF tracking number and approval date of this form.

### **Objection 5**

- L&H Actuarial Memorandum (Supporting Document)

Comments: 1.It is stated in Section 2 of the Actuarial Memorandum that the Company does not plan to file for any future rate increases if the proposed rate request is approved and implemented and the underlying assumptions, which reflect moderately adverse conditions, are realized. Then in Section 16, it is stated that the Company is considering filing at least one additional future rate increase as long as it is actuarially justified. Please reconcile these contradictory statements.

- 2.It is stated in Section 15 of the Actuarial Memorandum that moderately adverse condition is defined as a 5% increase in the lifetime loss ratio above the current best estimates. Then in Section 16, it is stated that moderately adverse conditions for the 58/85 calculation are defined as a 10% increase in future claim cost over the current best estimate. Please reconcile these contradictory statements.
- 3.Some of the values in Exhibit 8, 58/85 Calculations do not appear to come from Exhibits 4 and 6. Please provide the source for these numbers. In addition, the Bureau requires that the projections of future experience with the projected rate increase utilize the same assumptions as the projection with no increase. In other words, the projection of future experience must be done without antiselection or benefit reductions.
- 4.Please provide actual-to-expected analysis for each of the current assumptions (morbidity, mortality, and lapse).

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

### Conclusion:

We shall be glad to reconsider this submission upon receipt of the information noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

Thank you for your courtesy and consideration in this matter.

Sincerely,

Janet Houser

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

# **Response Letter**

Response Letter Status Submitted to State

Response Letter Date 05/31/2016 Submitted Date 05/31/2016

Dear Janet Houser,

#### Introduction:

Thank you for reviewing our filing.

## Response 1

#### Comments:

Please see the attached response letter.

## Related Objection 1

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

Comments: Please amend the Actuarial Certification for compliance with 14VAC5-200-153 B 2 b to indicate the premium rate filing is in compliance with the provisions of this section.

# Changed Items:

| <b>Supporting Document Sched</b> | Supporting Document Schedule Item Changes |  |  |  |
|----------------------------------|---|--|--|--|
| Satisfied - Item:                | L&H Actuarial Memorandum                  |  |  |  |
| Comments:                        |   |  |  |  |
| Attachment(s):                   | VA GP2 Act Memo.pdf                       |  |  |  |
| Previous Version                 |   |  |  |  |
| Satisfied - Item:                | L&H Actuarial Memorandum                  |  |  |  |
| Comments:                        |   |  |  |  |
| Attachment(s):                   | VA GP2 Act Memo.pdf                       |  |  |  |
| Previous Version                 |   |  |  |  |
| Satisfied - Item:                | L&H Actuarial Memorandum                  |  |  |  |
| Comments:                        |   |  |  |  |
| Attachment(s):                   | VA GP2 Act Memo.pdf                       |  |  |  |

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

| <b>Supporting Document Schedule</b> | Supporting Document Schedule Item Changes |  |  |  |
|-------------------------------------|---|--|--|--|
| Satisfied - Item:                   | L&H Actuarial Memorandum                  |  |  |  |
| Comments:                           |   |  |  |  |
| Attachment(s):                      | VA GP2 Act Memo.pdf                       |  |  |  |
| Previous Version                    |   |  |  |  |
| Satisfied - Item:                   | L&H Actuarial Memorandum                  |  |  |  |
| Comments:                           |   |  |  |  |
| Attachment(s):                      | VA GP2 Act Memo.pdf                       |  |  |  |
| Previous Version                    |   |  |  |  |
| Satisfied - Item:                   | L&H Actuarial Memorandum                  |  |  |  |
| Comments:                           |   |  |  |  |
| Attachment(s):                      | VA GP2 Act Memo.pdf                       |  |  |  |

| Satisfied - Item: | Statement of Variability   |
|-------------------|--|
| Comments:         |  |
| Attachment(s):    | SOV for S2280-VA GP2 Policyholder Notification Letter.pdf                  |
| Previous Version  |  |
| Satisfied - Item: | Statement of Variability   |
| Comments:         |  |
| Attachment(s):    | SOV for S2280-VA GP2 Policyholder Notification Letter.pdf                  |
| Previous Version  |  |
| Satisfied - Item: | Statement of Variability   |
| Comments:         |  |
| Attachment(s):    | SOV for S2280-VA GP2 Policyholder Notification Letter.pdf                  |
| Previous Version  |  |
| Satisfied - Item: | Statement of Variability   |
| Comments:         |  |
| Attachment(s):    | S2280-VA GP2 Policyholder Notification Letter_Statement of Variability.pdf |

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

| <b>Supporting Document Schedule</b> | Supporting Document Schedule Item Changes |  |  |  |  |
|-------------------------------------|---|--|--|--|--|
| Satisfied - Item:                   | L&H Actuarial Memorandum                  |  |  |  |  |
| Comments:                           |   |  |  |  |  |
| Attachment(s):                      | VA GP2 Act Memo.pdf                       |  |  |  |  |
| Previous Version                    |   |  |  |  |  |
| Satisfied - Item:                   | L&H Actuarial Memorandum                  |  |  |  |  |
| Comments:                           |   |  |  |  |  |
| Attachment(s):                      | VA GP2 Act Memo.pdf                       |  |  |  |  |
| Previous Version                    |   |  |  |  |  |
| Satisfied - Item:                   | L&H Actuarial Memorandum                  |  |  |  |  |
| Comments:                           |   |  |  |  |  |
| Attachment(s):                      | VA GP2 Act Memo.pdf                       |  |  |  |  |

| Satisfied - Item: | Statement of Variability   |
|-------------------|--|
| Comments:         |  |
| Attachment(s):    | SOV for S2280-VA GP2 Policyholder Notification Letter.pdf                  |
| Previous Version  |  |
| Satisfied - Item: | Statement of Variability   |
| Comments:         |  |
| Attachment(s):    | SOV for S2280-VA GP2 Policyholder Notification Letter.pdf                  |
| Previous Version  |  |
| Satisfied - Item: | Statement of Variability   |
| Comments:         |  |
| Attachment(s):    | SOV for S2280-VA GP2 Policyholder Notification Letter.pdf                  |
| Previous Version  |  |
| Satisfied - Item: | Statement of Variability   |
| Comments:         |  |
| Attachment(s):    | S2280-VA GP2 Policyholder Notification Letter_Statement of Variability.pdf |

| Satisfied - Item: | Response to Objection Received on May 27, 2016    |
|-------------------|---|
| Comments:         |   |
| Attachment(s):    | Response to Objection Received on May 27 2016.pdf |

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

| Supporting Document Schedule Item Changes |                          |  |  |  |
|---|--------------------------|--|--|--|
| Satisfied - Item:                         | L&H Actuarial Memorandum |  |  |  |
| Comments:                                 |                          |  |  |  |
| Attachment(s):                            | VA GP2 Act Memo.pdf      |  |  |  |
| Previous Version                          |                          |  |  |  |
| Satisfied - Item:                         | L&H Actuarial Memorandum |  |  |  |
| Comments:                                 |                          |  |  |  |
| Attachment(s):                            | VA GP2 Act Memo.pdf      |  |  |  |
| Previous Version                          |                          |  |  |  |
| Satisfied - Item:                         | L&H Actuarial Memorandum |  |  |  |
| Comments:                                 |                          |  |  |  |
| Attachment(s):                            | VA GP2 Act Memo.pdf      |  |  |  |

| Satisfied - Item: | Statement of Variability   |
|-------------------|--|
| Comments:         |  |
| Attachment(s):    | SOV for S2280-VA GP2 Policyholder Notification Letter.pdf                  |
| Previous Version  |  |
| Satisfied - Item: | Statement of Variability   |
| Comments:         |  |
| Attachment(s):    | SOV for S2280-VA GP2 Policyholder Notification Letter.pdf                  |
| Previous Version  |  |
| Satisfied - Item: | Statement of Variability   |
| Comments:         |  |
| Attachment(s):    | SOV for S2280-VA GP2 Policyholder Notification Letter.pdf                  |
| Previous Version  |  |
| Satisfied - Item: | Statement of Variability   |
| Comments:         |  |
| Attachment(s):    | S2280-VA GP2 Policyholder Notification Letter_Statement of Variability.pdf |

| Satisfied - Item: | Response to Objection Received on May 27, 2016    |
|-------------------|---|
| Comments:         |   |
| Attachment(s):    | Response to Objection Received on May 27 2016.pdf |

Filing Company:

Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

**Project Name/Number:** LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

Satisfied - Item: Current Rate Tables

Virginia

Comments:

State:

Attachment(s): VA GP2 Rates CURRENT.pdf

| Form Sche   | edule Item Changes                                   |          |      |         |                 |             |  |  |
|-------------|--|----------|------|---------|-----------------|-------------|--|--|
| Item        | Form   | Form     | Form | Form    | Action Specific | Readability |  |  |
| No.         | Name   | Number   | Туре | Action  | Data            | Score       | Attachments  | Submitted                                      |
| 1           | Policyholder Rate<br>Increase<br>Notification Letter | S2280-VA | ОТН  | Initial |                 | 50.000      | S2280-VA GP2<br>Policyholder<br>Notification<br>Letter.pdf | Date Submitted:<br>05/31/2016<br>By: Ouling Lu |
| Previous Ve | rsion  |          |      |         |                 |             |  |  |
| 1           | Policyholder Rate<br>Increase<br>Notification Letter |          | ОТН  | Initial |                 | 50.000      | S2280-VA GP2<br>Policyholder<br>Notification<br>Letter.pdf | Date Submitted:<br>05/18/2016<br>By: Ouling Lu |
| Previous Ve | rsion  |          |      |         |                 |             | · ·  | '  |
| 1           | Policyholder Rate<br>Increase<br>Notification Letter |          | ОТН  | Initial |                 | 50.000      | S2280-VA GP2<br>Policyholder<br>Notification<br>Letter.pdf | Date Submitted:<br>04/28/2016<br>By: Ouling Lu |
| Previous Ve | rsion  |          |      |         |                 |             |  |  |
| 1           | Policyholder Rate<br>Increase<br>Notification Letter |          | ОТН  | Initial |                 | 51.000      | S2280-VA GP2<br>Policyholder<br>Notification<br>Letter.pdf | Date Submitted:<br>04/06/2016<br>By: Ouling Lu |

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

| Rate/Rule Sch    | nedule Item Changes                                  |   |             |  |   |                             |
|------------------|--|---|-------------|--|---|-----------------------------|
| Item<br>No.      | Document Name  | Affected Form Numbers (Separated with commas) | Rate Action | Rate Action<br>Information   | Attachments   | Date Submitted              |
| 1                | N/A  | ,   | Revised     | Previous State Filing<br>Number:<br>Percent Rate Change<br>Request:              |   | 05/31/2016<br>By: Ouling Lu |
| Previous Version | nn   |   | <u>'</u>    | <u> </u>   |   | <u>'</u>                    |
| 1                | 4% LIFETIME<br>COMPOUND<br>BENEFIT INCREASE<br>RIDER | 11-R2   | Revised     | Previous State Filing<br>Number:<br>N/A<br>Percent Rate Change<br>Request:<br>70 | VA GP2 Rates<br>CURRENT.pdf, VA<br>GP2 Rates<br>PROPOSED.pdf, | 10/16/2015<br>By: Ouling Lu |
| 2                | N/A  |   | Revised     | Previous State Filing<br>Number:<br>Percent Rate Change<br>Request:              |   | 05/31/2016<br>By: Ouling Lu |
| Previous Version | on   |   |             |  |   |                             |
| 2                | 3% LIFETIME<br>COMPOUND<br>BENEFIT INCREASE<br>RIDER | 11-R1   | Revised     | Previous State Filing<br>Number:<br>N/A<br>Percent Rate Change<br>Request:<br>50 | VA GP2 Rates<br>CURRENT.pdf, VA<br>GP2 Rates<br>PROPOSED.pdf, | 10/16/2015<br>By: Ouling Lu |
| 3                | N/A  |   | Revised     | Previous State Filing<br>Number:<br>Percent Rate Change<br>Request:              |   | 05/31/2016<br>By: Ouling Lu |
| Previous Version | on   |   |             | ·  |   |                             |
| 3                | TWO TIMES<br>COMPOUND<br>BENEFIT INCREASE<br>RIDER   | 11-R4   | Revised     | Previous State Filing<br>Number:<br>N/A<br>Percent Rate Change<br>Request:<br>50 | VA GP2 Rates<br>CURRENT.pdf, VA<br>GP2 Rates<br>PROPOSED.pdf, | 10/16/2015<br>By: Ouling Lu |

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

| Rate/Rule Sch    | edule Item Changes                                   |                                      |         |  |   |                             |
|------------------|--|--------------------------------------|---------|--|---|-----------------------------|
| 4                | N/A  |                                      | Revised | Previous State Filing Number:  |   | 05/31/2016<br>By: Ouling Lu |
|                  |  |                                      |         | Percent Rate Change Request:   |   |                             |
| Previous Version | n  |                                      |         |  |   |                             |
| 4                | SIMPLE BENEFIT<br>INCREASE RIDER                     | 11-R5                                | Revised | Previous State Filing<br>Number:<br>N/A<br>Percent Rate Change<br>Request:<br>50 | VA GP2 Rates<br>CURRENT.pdf, VA<br>GP2 Rates<br>PROPOSED.pdf, | 10/16/2015<br>By: Ouling Lu |
| 5                | Rate Tables  | 11-R1, 11-R2, 11-R3,<br>11-R4, 11-R5 | Revised | Previous State Filing<br>Number:<br>N/A<br>Percent Rate Change<br>Request:<br>60 | VA GP2 Rates<br>PROPOSED.pdf,                                 | 05/31/2016<br>By: Ouling Lu |
| Previous Version | n  |                                      |         |  |   |                             |
| 5                | 5% LIFETIME<br>COMPOUND<br>BENEFIT INCREASE<br>RIDER | 11-R3                                | Revised | Previous State Filing<br>Number:<br>N/A<br>Percent Rate Change<br>Request:<br>80 | VA GP2 Rates<br>CURRENT.pdf, VA<br>GP2 Rates<br>PROPOSED.pdf, | 10/16/2015<br>By: Ouling Lu |

# Response 2

#### Comments:

Please see the attached response letter above.

# Related Objection 2

Applies To:

- 5% LIFETIME COMPOUND BENEFIT INCREASE RIDER, [11-R3] (Rate)
- 4% LIFETIME COMPOUND BENEFIT INCREASE RIDER, [11-R2] (Rate)
- 3% LIFETIME COMPOUND BENEFIT INCREASE RIDER, [11-R1] (Rate)
- TWO TIMES COMPOUND BENEFIT INCREASE RIDER, [11-R4] (Rate)

Comments: Please move the current rate information to Supporting Documentation since these rates are not subject to approval. It is not necessary to list each rider as a separate line item. The forms may all be listed under the "Affected Form Numbers" column and separated by commas.

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

# Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

#### Response 3

#### Comments:

Please see the attached response letter above.

## **Related Objection 3**

Applies To:

- Policyholder Rate Increase Notification Letter, S2280-VA (Form)
- Statement of Variability (Supporting Document)

Comments: There is some information on the Statement of Variability that should be rephrased to remove any potential confusion or misunderstanding:

The values under for anniversary1 states 3/17/2016 as a minimum an 12/31/2100 as a maximum. In this particular instance, a range would not be applicable. The insured must receive a 75 day notice prior to the rate increase. We suggest the explanation should be stated it is the policy anniversary date following the minimum 75 day notice of a rate increase.

Because the effect on partnership status is a required disclosure as set forth in 14VAC5-200-75 D 2 c, please highlight, bold or in some other fashion emphasize this language to bring attention to its importance.

The latest election date states this is the date which the options under the premium increase contingent upon lapse rider is available. For clarification purposes, the contingent benefit upon lapse benefit rider, if the triggers are met, automatically becomes effective if the policy lapses within 120 days of the due date of the premium increase as set forth in 14VAC5-200-185 D 3. Please amend the language accordingly.

# Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

**Project Name/Number:** LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

No Rate/Rule Schedule items changed.

## Conclusion:

Please let us know if you have any questions.

Sincerely,

Ouling Lu

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

# **Response Letter**

Response Letter Status Submitted to State

Response Letter Date 05/18/2016 Submitted Date 05/18/2016

Dear Janet Houser,

### Introduction:

Thank you for reviewing our filing.

#### Response 1

#### Comments:

We have attached the response to this objection in the supporting documentation tab under "Response to Objection Received on May 12, 2016".

### Related Objection 1

Applies To:

- Documents Provided Alongside the Policyholder Notification Letter (Supporting Document)
- Policyholder Rate Increase Notification Letter, S2280-VA (Form)
- Statement of Variability (Supporting Document)

Comments: We appreciate your explanation regarding the Return of Premium Rider. Because the benefit is not available in Virginia, please remove this benefit or place brackets around the Return of Premium Rider referenced in the policyholder letter, frequently asked questions and Coverage Change Request form and amend the Statement of Variability to indicate this will not appear in communication addressed to Virginia policyholders. We realize the form uses the word "may" but it remained unclear to us and may be potentially misleading to our policyholders. This simply isn't an option that can be chosen in Virginia and should not be included in the policyholder letter or appear available for selection.

# Changed Items:

Filing Company:

Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

State:

Virginia

| <b>Supporting Document Schedule I</b> | tem Changes  |
|---------------------------------------|--|
| Satisfied - Item:                     | L&H Readability - Health   |
| Comments:                             |  |
| Attachment(s):                        | S2280-VA GP2 Policyholder Notification Letter_Readability Certification - Signed.pdf |
| Previous Version                      |  |
| Satisfied - Item:                     | L&H Readability - Health   |
| Comments:                             |  |
| Attachment(s):                        | S2280-VA GP2 Policyholder Notification Letter_Readability Certification - Signed.pdf |
| Previous Version                      |  |
| Satisfied - Item:                     | L&H Readability - Health   |
| Comments:                             |  |
| Attachment(s):                        | S2280-VA GP2 Policyholder Notification Letter_Readability Certification - Signed.pdf |
| Previous Version                      |  |
| Satisfied - Item:                     | L&H Readability - Health   |
| Comments:                             | No forms being submitted in this filing  |
| Attachment(s):                        |  |

Filing Company:

Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

State:

Virginia

| <b>Supporting Document Sc</b> | hedule Item Changes  |
|-------------------------------|--|
| Satisfied - Item:             | L&H Readability - Health   |
| Comments:                     |  |
| Attachment(s):                | S2280-VA GP2 Policyholder Notification Letter_Readability Certification - Signed.pdf |
| Previous Version              |  |
| Satisfied - Item:             | L&H Readability - Health   |
| Comments:                     |  |
| Attachment(s):                | S2280-VA GP2 Policyholder Notification Letter_Readability Certification - Signed.pdf |
| Previous Version              |  |
| Satisfied - Item:             | L&H Readability - Health   |
| Comments:                     |  |
| Attachment(s):                | S2280-VA GP2 Policyholder Notification Letter_Readability Certification - Signed.pdf |
| Previous Version              |  |
| Satisfied - Item:             | L&H Readability - Health   |
| Comments:                     | No forms being submitted in this filing  |
| Attachment(s):                |  |

| Satisfied - Item: | Documents Provided Alongside the Policyholder Notification Letter   |
|-------------------|---|
| Comments:         |   |
| Attachment(s):    | CS95369 Premium Increase Contingent Benefit Upon Lapse Rider Schedule Page.pdf Policy Endorsement 95440.pdf R95369-VA Premium Increase Contingent Benefit Upon Lapse Rider.pdf S2281-Coverage Change Request Form.pdf |
| Previous Version  |   |
| Satisfied - Item: | Documents Provided Alongside the Policyholder Notification Letter   |
| Comments:         |   |
| Attachment(s):    | CS95369 Premium Increase Contingent Benefit Upon Lapse Rider Schedule Page.pdf Policy Endorsement 95440.pdf R95369-VA Premium Increase Contingent Benefit Upon Lapse Rider.pdf S2281-Coverage Change Request Form.pdf |

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Comments:
Attachment(s):

**Project Name/Number:** LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

| <b>Supporting Document Sc</b> | hedule Item Changes  |
|-------------------------------|--|
| Satisfied - Item:             | L&H Readability - Health   |
| Comments:                     |  |
| Attachment(s):                | S2280-VA GP2 Policyholder Notification Letter_Readability Certification - Signed.pdf |
| Previous Version              |  |
| Satisfied - Item:             | L&H Readability - Health   |
| Comments:                     |  |
| Attachment(s):                | S2280-VA GP2 Policyholder Notification Letter_Readability Certification - Signed.pdf |
| Previous Version              |  |
| Satisfied - Item:             | L&H Readability - Health   |
| Comments:                     |  |
| Attachment(s):                | S2280-VA GP2 Policyholder Notification Letter_Readability Certification - Signed.pdf |
| Previous Version              |  |
| Satisfied - Item:             | L&H Readability - Health   |
| Comments:                     | No forms being submitted in this filing  |
| Attachment(s):                |  |

| Satisfied - Item: | Documents Provided Alongside the Policyholder Notification Letter   |  |  |  |  |
|-------------------|---|--|--|--|--|
| Comments:         |   |  |  |  |  |
| Attachment(s):    | CS95369 Premium Increase Contingent Benefit Upon Lapse Rider Schedule Page.pdf Policy Endorsement 95440.pdf R95369-VA Premium Increase Contingent Benefit Upon Lapse Rider.pdf S2281-Coverage Change Request Form.pdf |  |  |  |  |
| Previous Version  |   |  |  |  |  |
| Satisfied - Item: | Documents Provided Alongside the Policyholder Notification Letter   |  |  |  |  |
| Comments:         |   |  |  |  |  |
| Attachment(s):    | CS95369 Premium Increase Contingent Benefit Upon Lapse Rider Schedule Page.pdf Policy Endorsement 95440.pdf R95369-VA Premium Increase Contingent Benefit Upon Lapse Rider.pdf S2281-Coverage Change Request Form.pdf |  |  |  |  |
| Satisfied - Item: | Response to Objection Received on May 12, 2016  |  |  |  |  |

Response to Objection Received on May 12 2016.pdf

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Comments:
Attachment(s):

**Project Name/Number:** LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

| Supporting Document Schedule Item Changes |  |  |  |  |  |  |
|---|--|--|--|--|--|--|
| Satisfied - Item:                         | L&H Readability - Health   |  |  |  |  |  |
| Comments:                                 |  |  |  |  |  |  |
| Attachment(s):                            | S2280-VA GP2 Policyholder Notification Letter_Readability Certification - Signed.pdf |  |  |  |  |  |
| Previous Version                          |  |  |  |  |  |  |
| Satisfied - Item:                         | L&H Readability - Health   |  |  |  |  |  |
| Comments:                                 |  |  |  |  |  |  |
| Attachment(s):                            | S2280-VA GP2 Policyholder Notification Letter_Readability Certification - Signed.pdf |  |  |  |  |  |
| Previous Version                          |  |  |  |  |  |  |
| Satisfied - Item:                         | L&H Readability - Health   |  |  |  |  |  |
| Comments:                                 |  |  |  |  |  |  |
| Attachment(s):                            | S2280-VA GP2 Policyholder Notification Letter_Readability Certification - Signed.pdf |  |  |  |  |  |
| Previous Version                          |  |  |  |  |  |  |
| Satisfied - Item:                         | L&H Readability - Health   |  |  |  |  |  |
| Comments:                                 | No forms being submitted in this filing  |  |  |  |  |  |
| Attachment(s):                            |  |  |  |  |  |  |

| Satisfied - Item: | Documents Provided Alongside the Policyholder Notification Letter   |  |  |  |  |
|-------------------|---|--|--|--|--|
| Comments:         |   |  |  |  |  |
| Attachment(s):    | CS95369 Premium Increase Contingent Benefit Upon Lapse Rider Schedule Page.pdf Policy Endorsement 95440.pdf R95369-VA Premium Increase Contingent Benefit Upon Lapse Rider.pdf S2281-Coverage Change Request Form.pdf |  |  |  |  |
| Previous Version  |   |  |  |  |  |
| Satisfied - Item: | Documents Provided Alongside the Policyholder Notification Letter   |  |  |  |  |
| Comments:         |   |  |  |  |  |
| Attachment(s):    | CS95369 Premium Increase Contingent Benefit Upon Lapse Rider Schedule Page.pdf Policy Endorsement 95440.pdf R95369-VA Premium Increase Contingent Benefit Upon Lapse Rider.pdf S2281-Coverage Change Request Form.pdf |  |  |  |  |
| Satisfied - Item: | Response to Objection Received on May 12, 2016  |  |  |  |  |

Response to Objection Received on May 12 2016.pdf

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

**Project Name/Number:** LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

| Satisfied - Item: | Statement of Variability   |  |  |  |
|-------------------|--|--|--|--|
| Comments:         | ·  |  |  |  |
| Attachment(s):    | SOV for S2280-VA GP2 Policyholder Notification Letter.pdf                  |  |  |  |
| Previous Version  |  |  |  |  |
| Satisfied - Item: | Statement of Variability   |  |  |  |
| Comments:         |  |  |  |  |
| Attachment(s):    | SOV for S2280-VA GP2 Policyholder Notification Letter.pdf                  |  |  |  |
| Previous Version  |  |  |  |  |
| Satisfied - Item: | Statement of Variability   |  |  |  |
| Comments:         |  |  |  |  |
| Attachment(s):    | S2280-VA GP2 Policyholder Notification Letter_Statement of Variability.pdf |  |  |  |

| Form Schedule Item Changes |  |        |      |         |                 |             |  |  |
|----------------------------|--|--------|------|---------|-----------------|-------------|--|--|
| Item                       | Form   | Form   | Form | Form    | Action Specific | Readability |  |  |
| No.                        | Name   | Number | Туре | Action  | Data            | Score       | Attachments  | Submitted                                      |
| 1                          | Policyholder Rate<br>Increase<br>Notification Letter |        | ОТН  | Initial |                 | 50.000      | S2280-VA GP2<br>Policyholder<br>Notification<br>Letter.pdf | Date Submitted:<br>05/18/2016<br>By: Ouling Lu |
| Previous Ve                | ersion   |        |      |         |                 |             |  |  |
| 1                          | Policyholder Rate<br>Increase<br>Notification Letter |        | ОТН  | Initial |                 | 50.000      | S2280-VA GP2<br>Policyholder<br>Notification<br>Letter.pdf | Date Submitted:<br>04/28/2016<br>By: Ouling Lu |
| Previous Ve                | ersion   |        |      |         |                 |             | · · · · · · · · · · · · · · · · · · ·                      |  |
| 1                          | Policyholder Rate<br>Increase<br>Notification Letter |        | ОТН  | Initial |                 | 51.000      | S2280-VA GP2<br>Policyholder<br>Notification<br>Letter.pdf | Date Submitted:<br>04/06/2016<br>By: Ouling Lu |

No Rate/Rule Schedule items changed.

# Response 2

### Comments:

Please see the attached response letter above.

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

## Related Objection 2

Applies To:

Documents Provided Alongside the Policyholder Notification Letter (Supporting Document)

Comments: 1) Should the option to reduce the benefit period be chosen, please confirm the benefit period will never be reduced than 12 months.

2) According to your response, all policyholders will receive a PICBUL rider which indicates the contingent benefit upon lapse option (CBUL) is available upon "any" rate increase now and in the future. correct? How does the insured know this form replaces the CBUL rider 10-E-1-VA which was approved with the policy?

### Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### Response 3

#### Comments:

Please see the attached response letter above.

# **Related Objection 3**

Applies To:

- Policyholder Rate Increase Notification Letter, S2280-VA (Form)

Comments: The letter references the full corporate name of the insurer and later as only Allianz. While we do not have a concern regarding this format, the letter should explain that the corporate name may be referred to as Allianz. Our concern would be resolved if the first sentence of the letter were stated as At Allianz Life Insurance Company of North America (Allianz), our highest priority is fulfilling our commitments to our policyholders."

# Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

### Conclusion:

Please let us know if you have any questions.

Sincerely,

Ouling Lu

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

# **Response Letter**

Response Letter Status Submitted to State

Response Letter Date 04/28/2016 Submitted Date 04/28/2016

Dear Janet Houser,

Introduction:

Thank you for reviewing our filing.

## Response 1

#### Comments:

We have attached the response to this objection in the supporting documentation tab under "Response to Objections Received on April 19 and 22 2016".

## Changed Items:

| Supporting Document Schedule Item Changes |   |  |
|---|---|--|
| Satisfied - Item:                         | Response to Objections Received on April 19 and 22 2016   |  |
| Comments:                                 |   |  |
| Attachment(s):                            | Response to Objections Received on April 19 & 22 2016.pdf |  |

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

| Supporting Document Schedule Item Changes |  |  |  |  |  |
|---|--|--|--|--|--|
| Satisfied - Item:                         | Response to Objections Received on April 19 and 22 2016                              |  |  |  |  |
| Comments:                                 |  |  |  |  |  |
| Attachment(s):                            | Response to Objections Received on April 19 & 22 2016.pdf                            |  |  |  |  |
| Satisfied - Item:                         | L&H Readability - Health   |  |  |  |  |
| Comments:                                 |  |  |  |  |  |
| Attachment(s):                            | S2280-VA GP2 Policyholder Notification Letter_Readability Certification - Signed.pdf |  |  |  |  |
| Previous Version                          |  |  |  |  |  |
| Satisfied - Item:                         | L&H Readability - Health   |  |  |  |  |
| Comments:                                 |  |  |  |  |  |
| Attachment(s):                            | S2280-VA GP2 Policyholder Notification Letter_Readability Certification - Signed.pdf |  |  |  |  |
| Previous Version                          |  |  |  |  |  |
| Satisfied - Item:                         | L&H Readability - Health   |  |  |  |  |
| Comments:                                 | No forms being submitted in this filing  |  |  |  |  |
| Attachment(s):                            |  |  |  |  |  |

SERFF Tracking #: State Tracking #: Company Tracking #: LTC RATE FILING 2015 GP2 ALLB-130164458 ALLB-130164458

Virginia Filing Company: Allianz Life Insurance Company of North America

LTC03I Individual Long Term Care/LTC03I.001 Qualified TOI/Sub-TOI:

Product Name: LTC RATE FILING 2015 GP2

State:

| <b>Supporting Document Sch</b> | hedule Item Changes  |  |  |
|--------------------------------|--|--|--|
| Satisfied - Item:              | Response to Objections Received on April 19 and 22 2016                              |  |  |
| Comments:                      |  |  |  |
| Attachment(s):                 | Response to Objections Received on April 19 & 22 2016.pdf                            |  |  |
| Satisfied - Item:              | L&H Readability - Health   |  |  |
| Comments:                      |  |  |  |
| Attachment(s):                 | S2280-VA GP2 Policyholder Notification Letter_Readability Certification - Signed.pdf |  |  |
| Previous Version               |  |  |  |
| Satisfied - Item:              | L&H Readability - Health   |  |  |
| Comments:                      |  |  |  |
| Attachment(s):                 | S2280-VA GP2 Policyholder Notification Letter_Readability Certification - Signed.pdf |  |  |
| Previous Version               |  |  |  |
| Satisfied - Item:              | L&H Readability - Health   |  |  |
| Comments:                      | No forms being submitted in this filing  |  |  |
| Attachment(s):                 |  |  |  |

| Satisfied - Item: | Statement of Variability   |
|-------------------|--|
| Comments:         |  |
| Attachment(s):    | SOV for S2280-VA GP2 Policyholder Notification Letter.pdf                  |
| Previous Version  |  |
| Satisfied - Item: | Statement of Variability   |
| Comments:         |  |
| Attachment(s):    | S2280-VA GP2 Policyholder Notification Letter_Statement of Variability.pdf |

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Virginia

**Project Name/Number:** LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

| Form Schedule Item Changes |  |        |      |         |                 |             |  |  |
|----------------------------|--|--------|------|---------|-----------------|-------------|--|--|
| Item                       | Form   | Form   | Form | Form    | Action Specific | Readability |  |  |
| No.                        | Name   | Number | Туре | Action  | Data            | Score       | Attachments  | Submitted                                      |
| 1                          | Policyholder Rate<br>Increase<br>Notification Letter |        | ОТН  | Initial |                 | 50.000      | S2280-VA GP2<br>Policyholder<br>Notification<br>Letter.pdf | Date Submitted:<br>04/28/2016<br>By: Ouling Lu |
| Previous Version           |  |        |      |         |                 |             |  |  |
| 1                          | Policyholder Rate<br>Increase<br>Notification Letter |        | ОТН  | Initial |                 | 51.000      | S2280-VA GP2<br>Policyholder<br>Notification<br>Letter.pdf | Date Submitted:<br>04/06/2016<br>By: Ouling Lu |

Filing Company:

Allianz Life Insurance Company of North America

No Rate/Rule Schedule items changed.

## Conclusion:

Please let us know if you have any questions.

Sincerely,

State:

Ouling Lu

Company Tracking #: LTC RATE FILING 2015 GP2

SERFF Tracking #: ALLB-130164458 State Tracking #: ALLB-130164458

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

Product Name: LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

# **Response Letter**

Response Letter Status Submitted to State

Response Letter Date 04/28/2016 Submitted Date 04/28/2016

Dear Janet Houser,

#### Introduction:

Thank you for reviewing our filing.

### Response 1

#### Comments:

We have responded to this objection in the subsequent objection letter received on April 22, 2016.

## Related Objection 1

Applies To:

- Response to Objection Received on November 5, 2015 (Supporting Document)

Comments: 1.Based on the data provided in Table 4 of the April 6, 2016 response letter, the experienced voluntary lapse rate for durations 7+ is 0.99%. Please provide a sensitivity analysis projection using an ultimate voluntary lapse rate of 1.0%. Please include the corresponding 58/85 test with no reduction in benefits or adverse selection.

2.Please comment on the Companys standard for full credibility and the corresponding credibility of the experience underlying the morbidity assumptions. Please include the number of claims in the historical experience.

#### Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

## Response 2

#### Comments:

We have responded to this objection in the subsequent objection letter received on April 22, 2016.

## Related Objection 2

Applies To:

- Policyholder Rate Increase Notification Letter, S2280-VA (Form)

SERFF Tracking #: ALLB-130164458 State Tracking #: ALLB-130164458

Company Tracking #: LTC RATE FILING 2015 GP2

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

Comments: 1) Question 3 under the Frequently asked questions (FAQ) states the company does not request rate increases in a state when premiums are sufficient to cover the projected cost of the benefits for that particular state. Is this statement correct? Is the company rating premium and experience on a national basis or is Virginia only experience considered credible?

- 2) Please change the reference from Virginia Bureau of Insurance to the Virginia State Corporation Commission.
- 3) Please include language that advises the insure of the right to a revised premium rate or rate schedule pursuant to 14VAC5-200-75 A 4 b.
- 4) The disclosure under Question 4 of the FAQ regarding partnership status must be emphasized since this is a disclosure required by 14VAC5-200-75-D 2 c. This may be accomplished by bolding, highlighting, using larger print or any other method that will bring attention to this information.
- 5) Please expand upon the reason for the rate increase. The first question under the FAQ states the increase is due to a combination of factors outlined in question 2. It is not clear, however, what the drivers are of this increase. As a suggestion, the company may wish to state something to the effect that the rate increase is due in part to individuals living longer and keeping their policies longer, which has resulted in more claims being filed than what was anticipated when the policy was originally priced. Premiums need to be adjusted to ensure there is adequate funding to pay current and anticipated future claims.
- 6) The policy forms are under review by another examiner.

#### Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

#### Conclusion:

Please let us know if you have any questions.

Sincerely.

Ouling Lu

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

# **Response Letter**

Response Letter Status Submitted to State

Response Letter Date 04/06/2016 Submitted Date 04/06/2016

Dear Janet Houser,

#### Introduction:

Thank you for reviewing our filing.

### Response 1

#### Comments:

We have attached the response to this objection in the supporting documentation tab under "Response to Objection Received on November 5, 2015".

#### Related Objection 1

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

Comments: According to the filing, these riders are attached to the Generation Protector II Policy Form Series: 11-P-Q-VA. Please provide the form numbers of all policies approved in this series exactly as each form was approved and provide the approval date and SERFF tracking number.

# Changed Items:

| Supporting Document Schedule Item Changes |  |  |  |
|---|--|--|--|
| Satisfied - Item:                         | Certification of Compliance  |  |  |
| Comments:                                 |  |  |  |
| Attachment(s):                            | S2280-VA GP2 Policyholder Notification Letter_Certification of Compliance - Signed.pdf |  |  |
| Previous Version                          |  |  |  |
| Satisfied - Item:                         | Certification of Compliance  |  |  |
| Comments:                                 |  |  |  |
| Attachment(s):                            | Virginia Certification of Compliance.pdf   |  |  |

SERFF Tracking #: Company Tracking #: LTC RATE FILING 2015 GP2 ALLB-130164458 State Tracking #: ALLB-130164458

Filing Company:

Allianz Life Insurance Company of North America

LTC03I Individual Long Term Care/LTC03I.001 Qualified TOI/Sub-TOI:

LTC BATE EILING 2015 GP2

State:

Virginia

| Product Name:        | LTC RATE FILING 2015 GP2  |  |  |
|----------------------|---|--|--|
| Project Name/Number: | LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2   |  |  |
| Supporting Documo    | nt Schedule Item Changes  |  |  |
|                      |   |  |  |
| Satisfied - Item:    | Certification of Compliance   |  |  |
| Comments:            |   |  |  |
| Attachment(s):       | S2280-VA GP2 Policyholder Notification Letter_Certification of Compliance - Signed.pdf                      |  |  |
| Previous Version     |   |  |  |
| Satisfied - Item:    | Certification of Compliance   |  |  |
| Comments:            |   |  |  |
| Attachment(s):       | Virginia Certification of Compliance.pdf  |  |  |
|                      |   |  |  |
| Satisfied - Item:    | Draft policyholder letter   |  |  |
| Comments:            | Please see the Form Schedule tab for the Policyholder Rate Increase Notification Letter.                    |  |  |
| Attachment(s):       |   |  |  |
| Previous Version     |   |  |  |
| Satisfied - Item:    | Draft policyholder letter   |  |  |
| Comments:            | Submitted for informational purpose only, letter subject to change.   |  |  |
| Attachment(s):       | Draft Policyholder Letter, Gen Pro and Gen Pro II.pdf Draft Policyholder Letter, Gen Pro II PARTNERSHIP.pdf |  |  |

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

| Project Name/Number:   | TC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2  |
|------------------------|---|
| Supporting Document So | chedule Item Changes  |
| Satisfied - Item:      | Certification of Compliance   |
| Comments:              |   |
| Attachment(s):         | S2280-VA GP2 Policyholder Notification Letter_Certification of Compliance - Signed.pdf                      |
| Previous Version       |   |
| Satisfied - Item:      | Certification of Compliance   |
| Comments:              |   |
| Attachment(s):         | Virginia Certification of Compliance.pdf  |
|                        |   |
| Satisfied - Item:      | Draft policyholder letter   |
| Comments:              | Please see the Form Schedule tab for the Policyholder Rate Increase Notification Letter.                    |
| Attachment(s):         |   |
| Previous Version       |   |
| Satisfied - Item:      | Draft policyholder letter   |
| Comments:              | Submitted for informational purpose only, letter subject to change.   |
| Attachment(s):         | Draft Policyholder Letter, Gen Pro and Gen Pro II.pdf Draft Policyholder Letter, Gen Pro II PARTNERSHIP.pdf |
|                        |   |
| Satisfied - Item:      | Response to Objection Received on November 5, 2015  |
| Comments:              |   |
| Attachment(s):         | Response to Objection Received on Nov 5 2015.pdf  |

SERFF Tracking #: State Tracking #: Company Tracking #: LTC RATE FILING 2015 GP2 ALLB-130164458 ALLB-130164458

Virginia Filing Company: Allianz Life Insurance Company of North America

LTC03I Individual Long Term Care/LTC03I.001 Qualified TOI/Sub-TOI:

Product Name: LTC RATE FILING 2015 GP2

State:

| chedule Item Changes  |
|---|
| Certification of Compliance   |
|   |
| S2280-VA GP2 Policyholder Notification Letter_Certification of Compliance - Signed.pdf                      |
|   |
| Certification of Compliance   |
|   |
| Virginia Certification of Compliance.pdf  |
|   |
| Draft policyholder letter   |
| Please see the Form Schedule tab for the Policyholder Rate Increase Notification Letter.                    |
| ·   |
|   |
| Draft policyholder letter   |
| Submitted for informational purpose only, letter subject to change.   |
| Draft Policyholder Letter, Gen Pro and Gen Pro II.pdf Draft Policyholder Letter, Gen Pro II PARTNERSHIP.pdf |
|   |
| Response to Objection Received on November 5, 2015  |
|   |
| Response to Objection Received on Nov 5 2015.pdf  |
| Current Assumption Justification  |
|   |
| Current Assumption Justification.pdf  |
|   |

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

| <b>Supporting Document Sc</b> | hedule Item Changes   |  |  |  |
|-------------------------------|---|--|--|--|
| Satisfied - Item:             | Certification of Compliance   |  |  |  |
| Comments:                     |   |  |  |  |
| Attachment(s):                | S2280-VA GP2 Policyholder Notification Letter_Certification of Compliance - Signed.pdf  |  |  |  |
| Previous Version              |   |  |  |  |
| Satisfied - Item:             | Certification of Compliance   |  |  |  |
| Comments:                     |   |  |  |  |
| Attachment(s):                | Virginia Certification of Compliance.pdf  |  |  |  |
| Satisfied - Item:             | Draft policyholder letter   |  |  |  |
| Comments:                     | Please see the Form Schedule tab for the Policyholder Rate Increase Notification Letter.  |  |  |  |
| Attachment(s):                | ·   |  |  |  |
| Previous Version              |   |  |  |  |
| Satisfied - Item:             | Draft policyholder letter   |  |  |  |
| Comments:                     | Submitted for informational purpose only, letter subject to change.   |  |  |  |
| Attachment(s):                | Draft Policyholder Letter, Gen Pro and Gen Pro II.pdf Draft Policyholder Letter, Gen Pro II PARTNERSHIP.pdf   |  |  |  |
| O. C. C. L. K                 |   |  |  |  |
| Satisfied - Item:             | Response to Objection Received on November 5, 2015  |  |  |  |
| Comments:                     |   |  |  |  |
| Attachment(s):                | Response to Objection Received on Nov 5 2015.pdf  |  |  |  |
| Satisfied - Item:             | Current Assumption Justification  |  |  |  |
| Comments:                     |   |  |  |  |
| Attachment(s):                | Current Assumption Justification.pdf  |  |  |  |
| Satisfied - Item:             | Copy of Policy form 10-P-Q-VA and 11-P-Q-VA   |  |  |  |
| Comments:                     |   |  |  |  |
| Attachment(s):                | GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 1-50).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 51-100).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 101-150).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 151-200).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 201-250).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 251-300).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 301-354).pdf GPR - VA - PF Filings - 10-CR 11 17 2004 (Pages 1-100).pdf GPR - VA - PF Filings - 10-CR 11 17 2004 (Pages 101-160).pdf |  |  |  |

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

**Project Name/Number:** LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

GPR - VA - PF Filings - 10-CR - - 11 17 2004 (Pages 161-240).pdf

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

| <b>Supporting Document Sc</b> | hedule Item Changes   |  |  |  |
|-------------------------------|---|--|--|--|
| Satisfied - Item:             | Certification of Compliance   |  |  |  |
| Comments:                     |   |  |  |  |
| Attachment(s):                | S2280-VA GP2 Policyholder Notification Letter_Certification of Compliance - Signed.pdf  |  |  |  |
| Previous Version              |   |  |  |  |
| Satisfied - Item:             | Certification of Compliance   |  |  |  |
| Comments:                     |   |  |  |  |
| Attachment(s):                | Virginia Certification of Compliance.pdf  |  |  |  |
| Satisfied - Item:             | Draft policyholder letter   |  |  |  |
| Comments:                     | Please see the Form Schedule tab for the Policyholder Rate Increase Notification Letter.  |  |  |  |
| Attachment(s):                | ·   |  |  |  |
| Previous Version              |   |  |  |  |
| Satisfied - Item:             | Draft policyholder letter   |  |  |  |
| Comments:                     | Submitted for informational purpose only, letter subject to change.   |  |  |  |
| Attachment(s):                | Draft Policyholder Letter, Gen Pro and Gen Pro II.pdf Draft Policyholder Letter, Gen Pro II PARTNERSHIP.pdf   |  |  |  |
| O. C. C. L. K                 |   |  |  |  |
| Satisfied - Item:             | Response to Objection Received on November 5, 2015  |  |  |  |
| Comments:                     |   |  |  |  |
| Attachment(s):                | Response to Objection Received on Nov 5 2015.pdf  |  |  |  |
| Satisfied - Item:             | Current Assumption Justification  |  |  |  |
| Comments:                     |   |  |  |  |
| Attachment(s):                | Current Assumption Justification.pdf  |  |  |  |
| Satisfied - Item:             | Copy of Policy form 10-P-Q-VA and 11-P-Q-VA   |  |  |  |
| Comments:                     |   |  |  |  |
| Attachment(s):                | GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 1-50).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 51-100).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 101-150).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 151-200).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 201-250).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 251-300).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 301-354).pdf GPR - VA - PF Filings - 10-CR 11 17 2004 (Pages 1-100).pdf GPR - VA - PF Filings - 10-CR 11 17 2004 (Pages 101-160).pdf |  |  |  |

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

|                   | GPR - VA - PF Filings - 10-CR 11 17 2004 (Pages 161-240).pdf |
|-------------------|--|
|                   |  |
| Satisfied - Item: | L&H Actuarial Memorandum                                     |
| Comments:         |  |
| Attachment(s):    | VA GP2 Act Memo.pdf  |
| Previous Version  |  |
| Satisfied - Item: | L&H Actuarial Memorandum                                     |
| Comments:         |  |
| Attachment(s):    | VA GP2 Act Memo.pdf  |

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

| <b>Supporting Document Sc</b> | hedule Item Changes   |  |  |  |
|-------------------------------|---|--|--|--|
| Satisfied - Item:             | Certification of Compliance   |  |  |  |
| Comments:                     |   |  |  |  |
| Attachment(s):                | S2280-VA GP2 Policyholder Notification Letter_Certification of Compliance - Signed.pdf  |  |  |  |
| Previous Version              |   |  |  |  |
| Satisfied - Item:             | Certification of Compliance   |  |  |  |
| Comments:                     |   |  |  |  |
| Attachment(s):                | Virginia Certification of Compliance.pdf  |  |  |  |
| Satisfied - Item:             | Draft policyholder letter   |  |  |  |
| Comments:                     | Please see the Form Schedule tab for the Policyholder Rate Increase Notification Letter.  |  |  |  |
| Attachment(s):                | ·   |  |  |  |
| Previous Version              |   |  |  |  |
| Satisfied - Item:             | Draft policyholder letter   |  |  |  |
| Comments:                     | Submitted for informational purpose only, letter subject to change.   |  |  |  |
| Attachment(s):                | Draft Policyholder Letter, Gen Pro and Gen Pro II.pdf Draft Policyholder Letter, Gen Pro II PARTNERSHIP.pdf   |  |  |  |
| O. C. C. L. K                 |   |  |  |  |
| Satisfied - Item:             | Response to Objection Received on November 5, 2015  |  |  |  |
| Comments:                     |   |  |  |  |
| Attachment(s):                | Response to Objection Received on Nov 5 2015.pdf  |  |  |  |
| Satisfied - Item:             | Current Assumption Justification  |  |  |  |
| Comments:                     |   |  |  |  |
| Attachment(s):                | Current Assumption Justification.pdf  |  |  |  |
| Satisfied - Item:             | Copy of Policy form 10-P-Q-VA and 11-P-Q-VA   |  |  |  |
| Comments:                     |   |  |  |  |
| Attachment(s):                | GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 1-50).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 51-100).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 101-150).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 151-200).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 201-250).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 251-300).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 301-354).pdf GPR - VA - PF Filings - 10-CR 11 17 2004 (Pages 1-100).pdf GPR - VA - PF Filings - 10-CR 11 17 2004 (Pages 101-160).pdf |  |  |  |

SERFF Tracking #: ALLB-130164458 State Tracking #: ALLB-130164458 Company Tracking #: LTC RATE FILING 2015 GP2 Virginia Filing Company: Allianz Life Insurance Company of North America State: TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified LTC RATE FILING 2015 GP2 Product Name: Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2 GPR - VA - PF Filings - 10-CR - - 11 17 2004 (Pages 161-240).pdf Satisfied - Item: L&H Actuarial Memorandum Comments: Attachment(s): VA GP2 Act Memo.pdf Previous Version Satisfied - Item: L&H Actuarial Memorandum Comments: Attachment(s): VA GP2 Act Memo.pdf Satisfied - Item: L&H Readability - Health Comments: Attachment(s): S2280-VA GP2 Policyholder Notification Letter\_Readability Certification - Signed.pdf

L&H Readability - Health

No forms being submitted in this filing

Previous Version

Satisfied - Item:

Comments:
Attachment(s):

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

| <b>Supporting Document Sc</b> | hedule Item Changes   |  |  |  |
|-------------------------------|---|--|--|--|
| Satisfied - Item:             | Certification of Compliance   |  |  |  |
| Comments:                     |   |  |  |  |
| Attachment(s):                | S2280-VA GP2 Policyholder Notification Letter_Certification of Compliance - Signed.pdf  |  |  |  |
| Previous Version              |   |  |  |  |
| Satisfied - Item:             | Certification of Compliance   |  |  |  |
| Comments:                     |   |  |  |  |
| Attachment(s):                | Virginia Certification of Compliance.pdf  |  |  |  |
| Satisfied - Item:             | Draft policyholder letter   |  |  |  |
| Comments:                     | Please see the Form Schedule tab for the Policyholder Rate Increase Notification Letter.  |  |  |  |
| Attachment(s):                | ·   |  |  |  |
| Previous Version              |   |  |  |  |
| Satisfied - Item:             | Draft policyholder letter   |  |  |  |
| Comments:                     | Submitted for informational purpose only, letter subject to change.   |  |  |  |
| Attachment(s):                | Draft Policyholder Letter, Gen Pro and Gen Pro II.pdf Draft Policyholder Letter, Gen Pro II PARTNERSHIP.pdf   |  |  |  |
| O. C. C. L. K                 |   |  |  |  |
| Satisfied - Item:             | Response to Objection Received on November 5, 2015  |  |  |  |
| Comments:                     |   |  |  |  |
| Attachment(s):                | Response to Objection Received on Nov 5 2015.pdf  |  |  |  |
| Satisfied - Item:             | Current Assumption Justification  |  |  |  |
| Comments:                     |   |  |  |  |
| Attachment(s):                | Current Assumption Justification.pdf  |  |  |  |
| Satisfied - Item:             | Copy of Policy form 10-P-Q-VA and 11-P-Q-VA   |  |  |  |
| Comments:                     |   |  |  |  |
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SERFF Tracking #: ALLB-130164458 State Tracking #: ALLB-130164458 Company Tracking #: LTC RATE FILING 2015 GP2 Filing Company: Allianz Life Insurance Company of North America State: Virginia TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified Product Name: LTC RATE FILING 2015 GP2 Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2 GPR - VA - PF Filings - 10-CR - - 11 17 2004 (Pages 161-240).pdf Satisfied - Item: L&H Actuarial Memorandum Comments: Attachment(s): VA GP2 Act Memo.pdf Previous Version Satisfied - Item: L&H Actuarial Memorandum Comments: Attachment(s): VA GP2 Act Memo.pdf Satisfied - Item: L&H Readability - Health Comments: Attachment(s): S2280-VA GP2 Policyholder Notification Letter\_Readability Certification - Signed.pdf Previous Version Satisfied - Item: L&H Readability - Health Comments: No forms being submitted in this filing Attachment(s): Satisfied - Item: Documents Provided Alongside the Policyholder Notification Letter Comments: CS95369 Premium Increase Contingent Benefit Upon Lapse Rider Schedule Page.pdf

R95369-VA Premium Increase Contingent Benefit Upon Lapse Rider.pdf

Policy Endorsement 95440.pdf

S2281-Coverage Change Request Form.pdf

Attachment(s):

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

| <b>Supporting Document Sc</b> | hedule Item Changes   |  |  |
|-------------------------------|---|--|--|
| Satisfied - Item:             | Certification of Compliance   |  |  |
| Comments:                     |   |  |  |
| Attachment(s):                | S2280-VA GP2 Policyholder Notification Letter_Certification of Compliance - Signed.pdf  |  |  |
| Previous Version              |   |  |  |
| Satisfied - Item:             | Certification of Compliance   |  |  |
| Comments:                     |   |  |  |
| Attachment(s):                | Virginia Certification of Compliance.pdf  |  |  |
| Satisfied - Item:             | Draft policyholder letter   |  |  |
| Comments:                     | Please see the Form Schedule tab for the Policyholder Rate Increase Notification Letter.  |  |  |
| Attachment(s):                | ·   |  |  |
| Previous Version              |   |  |  |
| Satisfied - Item:             | Draft policyholder letter   |  |  |
| Comments:                     | Submitted for informational purpose only, letter subject to change.   |  |  |
| Attachment(s):                | Draft Policyholder Letter, Gen Pro and Gen Pro II.pdf Draft Policyholder Letter, Gen Pro II PARTNERSHIP.pdf   |  |  |
| O. C. C. L. K                 |   |  |  |
| Satisfied - Item:             | Response to Objection Received on November 5, 2015  |  |  |
| Comments:                     |   |  |  |
| Attachment(s):                | Response to Objection Received on Nov 5 2015.pdf  |  |  |
| Satisfied - Item:             | Current Assumption Justification  |  |  |
| Comments:                     |   |  |  |
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| Satisfied - Item:             | Copy of Policy form 10-P-Q-VA and 11-P-Q-VA   |  |  |
| Comments:                     |   |  |  |
| Attachment(s):                | GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 1-50).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 51-100).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 101-150).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 151-200).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 201-250).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 251-300).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 301-354).pdf GPR - VA - PF Filings - 10-CR 11 17 2004 (Pages 1-100).pdf GPR - VA - PF Filings - 10-CR 11 17 2004 (Pages 101-160).pdf |  |  |

| SERFF Tracking #:    | ALLB-130164458   | State Tracking #:  | ALLB-130164458             |                     | Company Tracking #:                      | LTC RATE FILING 2015 GP2     |
|----------------------|------------------|--|----------------------------|---------------------|--|------------------------------|
| State:               | Virginia         |  |                            | Filing Company:     | Allianz Life Insural                     | nce Company of North America |
| TOI/Sub-TOI:         | LTC03I Individua | Long Term Care/LTC03I.0  | 01 Qualified               |                     |  |                              |
| Product Name:        | LTC RATE FILIN   | G 2015 GP2   |                            |                     |  |                              |
| Project Name/Number: | LTC RATE FILIN   | G 2015 GP2/LTC RATE FIL  | .ING 2015 GP2              |                     |  |                              |
|                      | G                | PR - VA - PF Filings -   | 10-CR 11 17                | 2004 (Pages 161-    | 240).pdf                                 |                              |
| Satisfied - Item:    | L                | &H Actuarial Memorar   | dum                        |                     |  |                              |
| Comments:            |                  |  |                            |                     |  |                              |
| Attachment(s):       | V                | A GP2 Act Memo.pdf   |                            |                     |  |                              |
| Previous Version     |                  |  |                            |                     |  |                              |
| Satisfied - Item:    | La               | &H Actuarial Memorar   | ndum                       |                     |  |                              |
| Comments:            |                  |  |                            |                     |  |                              |
| Attachment(s):       | V                | A GP2 Act Memo.pdf   |                            |                     |  |                              |
|                      |                  |  |                            |                     |  |                              |
| Satisfied - Item:    | L                | &H Readability - Healt   | h                          |                     |  |                              |
| Comments:            |                  |  |                            |                     |  |                              |
| Attachment(s):       | S                | 2280-VA GP2 Policyh  | older Notification         | Letter_Readability  | Certification - Signed.po                | df                           |
| Previous Version     |                  |  |                            |                     |  |                              |
| Satisfied - Item:    | Lo               | &H Readability - Healt   | th                         |                     |  |                              |
| Comments:            | N                | o forms being submitt  | ed in this filing          |                     |  |                              |
| Attachment(s):       |                  |  |                            |                     |  |                              |
| Satisfied - Item:    | D                | ocuments Provided Al   | onaside the Polic          | vholder Notificatio | n l etter                                |                              |
| Comments:            |                  | countries i fortada / ti   | 5go.ao alo i olio          | ,sider Hedinedile   |  |                              |
| Attachment(s):       | Po<br>Ri         | S95369 Premium Incr<br>blicy Endorsement 95<br>95369-VA Premium In<br>2281-Coverage Chan | 440.pdf<br>crease Continge | nt Benefit Upon La  | se Rider Schedule Page.<br>pse Rider.pdf | pdf                          |
| Satisfied - Item:    | Si               | atement of Variability   |                            |                     |  |                              |

No Rate/Rule Schedule items changed.

# Response 2

Comments: Attachment(s):

## Comments:

Please see response letter above.

# Related Objection 2

S2280-VA GP2 Policyholder Notification Letter\_Statement of Variability.pdf

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

Comments: According to the General Information in SERFF, a policy endorsement form reflecting the change in the COLA benefits is being filed for approval. Please provide the SERFF tracking number and date of submission.

Also indicated in the General Information is the option to elect the reduced paid-up option the attached Premium Increase Contingent Benefit Upon Lapse Rider. Unfortunately, I am unable to locate this document and ask that it be resent. Please provide the form number, SERFF tracking number, and approval date for our records.

## Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

## Response 3

#### Comments:

Please see response letter above.

## Related Objection 3

Applies To:

- Draft policyholder letter (Supporting Document)

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

Comments: The Virginia State Corporation Commission recently adopted revisions to the Rules Governing Long-Term Care Insurance set forth in Chapter 200 of Title 14 of the Virginia Administrative Code. Except as specifically provided in the regulation, the changes are effective September 1, 2015. The Order adopting the revisions to the long term care insurance regulation and all related documents are located on the commissions website at http://www.scc.virginia.gov/DocketSearch#/caseDetails/132748.

As part of the revisions, the commission revised the requirements for policyholder notifications regarding rate increases as stated in 14 VAC5-200-75 D. For compliance with this regulation, please revise the letters to include the following information:

- 1. For compliance with 14VAC5-200-75,
- a) A 2 requires a statement that should there be future rate increases, options similar to those being offered now will be available. Please also indicate that changes in benefits may be done at any time upon the insureds request
  - b) A 4 requires a statement that the insured has a right to a revised premium rate or rate schedule upon request.
- 2. A clear explanation of options available to the policyholder as alternatives to paying the increased premium amount, including:
  - a) An offer to reduce policy benefits provided by the current coverage consistent with the requirements of 14VAC5-200-183;
- b) A disclosure stating that all options available to the policyholder may not be of equal value. Since this is a disclosure, this information should prominent such as being highlighted, bolded, or in large print.
- c) In the case of a partnership policy, a disclosure that some benefit reduction options may result in a loss in partnership status that may reduce policyholder protections, and, as stated above, should be a prominent statement.
- 3. A clear identification of the driving factors of the premium rate increase. What the company has stated in the letters does not satisfy this requirement and should explain what has changed since the policy was priced originally that has created the need for such a significant increase. In other words, what has impacted the assumptions that were used when the policy was priced? The Bureau of Insurance feels it may be more logical to state the reasons for the increase at the beginning of the letter rather than at the end of the letter.
- 4. A statement substantially similar to the following:

The rate increase request was reviewed by Virginias State Corporation Commission and was found to be compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection and may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI.

Because the letter must be "filed", please attach the amended letters to the Form Schedule in SERFF in compliance with the requirements of Chapter 100 of Title 14 of the Virginia Administrative Code including a Certification of Compliance. The letter will require a form number as set forth in 14VAC5-100-50 1 and should be submitted on company letterhead for compliance with 14VAC5-100-50 2 requiring the full and proper name of the insurer to prominently appear. Please include a Statement of Variability, if applicable.

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

5. The General Information in SERFF stated a notice would be sent 60 days prior to the effective date of the increase. Please be aware that as a result of the revised regulations, a notice of at least 75 days is now required as set forth in 14VAC5-200-75 D.

#### Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

## Response 4

#### Comments:

Please see response letter above.

### Related Objection 4

Applies To:

- Draft policyholder letter (Supporting Document)

Comments: Please provide a copy of all the enclosure forms noted in the letter. Will the coverage change request form be attached to the policy? If so, please provide the SERFF tracking number and approval date of this form.

## Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

# Response 5

#### Comments:

Please see response letter above.

## Related Objection 5

Applies To:

- L&H Actuarial Memorandum (Supporting Document)

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

Comments: 1.It is stated in Section 2 of the Actuarial Memorandum that the Company does not plan to file for any future rate increases if the proposed rate request is approved and implemented and the underlying assumptions, which reflect moderately adverse conditions, are realized. Then in Section 16, it is stated that the Company is considering filing at least one additional future rate increase as long as it is actuarially justified. Please reconcile these contradictory statements.

- 2.It is stated in Section 15 of the Actuarial Memorandum that moderately adverse condition is defined as a 5% increase in the lifetime loss ratio above the current best estimates. Then in Section 16, it is stated that moderately adverse conditions for the 58/85 calculation are defined as a 10% increase in future claim cost over the current best estimate. Please reconcile these contradictory statements.
- 3.Some of the values in Exhibit 8, 58/85 Calculations do not appear to come from Exhibits 4 and 6. Please provide the source for these numbers. In addition, the Bureau requires that the projections of future experience with the projected rate increase utilize the same assumptions as the projection with no increase. In other words, the projection of future experience must be done without anti-selection or benefit reductions.
- 4.Please provide actual-to-expected analysis for each of the current assumptions (morbidity, mortality, and lapse).

#### Changed Items:

No Supporting Documents changed.

No Form Schedule items changed.

No Rate/Rule Schedule items changed.

#### Conclusion:

Please let us know if you have any questions.

Sincerely,

Ouling Lu

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

# **Amendment Letter**

Submitted Date: 06/08/2016

Comments: Ms. Houser,

Thank you for reviewing our filing. Attached to the Supporting Documentation tab is an updated Rate Request Summary form which contains the correct form numbers of 11-R1, 11-R2, 11-R3, 11-R4 and 11-R5.

Also, the base rate pages from the rate schedule attachment on the Rate/Rule Schedule have been removed and only the applicable rates for the riders are attached.

Please let us know if you have any questions or need anything further.

Thank you.

Changed Items:

No Form Schedule Items Changed.

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

| Rate/Rule Schedule Item Changes |  |   |             |  |   |                             |
|---------------------------------|--|---|-------------|--|---|-----------------------------|
| Item<br>No.                     | Document Name  | Affected Form Numbers (Separated with commas) | Rate Action | Rate Action<br>Information   | Attachments   | Date Submitted              |
| 1                               | Rate Tables  | 11-R1, 11-R2, 11-R3,<br>11-R4, 11-R5          | Revised     | Previous State Filing<br>Number:<br>N/A<br>Percent Rate Change<br>Request:<br>60 | VA GP2 Rates<br>PROPOSED.pdf,                                 | 06/08/2016<br>By:           |
| Previous Version                |  |   |             |  |   |                             |
| 1                               | Rate Tables  | 11-R1, 11-R2, 11-R3,<br>11-R4, 11-R5          | Revised     | Previous State Filing<br>Number:<br>N/A<br>Percent Rate Change<br>Request:<br>60 | VA GP2 Rates<br>PROPOSED.pdf,                                 | 05/31/2016<br>By: Ouling Lu |
| Previous Version                |  |   |             |  |   |                             |
| 1                               | 5% LIFETIME<br>COMPOUND<br>BENEFIT INCREASE<br>RIDER | 11-R3   | Revised     | Previous State Filing<br>Number:<br>N/A<br>Percent Rate Change<br>Request:<br>80 | VA GP2 Rates<br>CURRENT.pdf, VA<br>GP2 Rates<br>PROPOSED.pdf, | 10/16/2015<br>By: Ouling Lu |

| Supporting Document Schedule Item Changes |   |  |  |
|---|---|--|--|
| Satisfied - Item:                         | Long Term Care Insurance Rate Request Summary         |  |  |
| Comments:                                 |   |  |  |
| Attachment(s):                            | Part 1LTC Rate Request Summary 12_31_14 Completed.pdf |  |  |
| Previous Version                          |   |  |  |
| Satisfied - Item:                         | Long Term Care Insurance Rate Request Summary         |  |  |
| Comments:                                 |   |  |  |
| Attachment(s):                            | Health Insurance Rate Request Summary Part I GP2.pdf  |  |  |

SERFF Tracking #: ALLB-130164458 State Tracking #: ALLB-130164458

Company Tracking #: LTC RATE FILING 2015 GP2

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

## **Note To Filer**

**Created By:** 

Janet Houser on 06/08/2016 12:38 PM

Last Edited By:

Janet Houser

**Submitted On:** 

06/08/2016 01:23 PM

Subject:

Rate Request Summary

#### Comments:

So that I may approve this filing, the Rate Request Summary contains incorrect form numbers. Please revise the form to reflect only rider form numbers 11-R1, 11-R2, 11-R3, 11-R4 and 11-R5. Do not include the base policy form number. Attached is a revised Rate Request Summary Form. Please be sure to attach a brief narrative as a second page regarding the drivers of the rate increase.

In addition, please remove the base rate pages from the rate schedule attachment on the Rate/Rule Schedule since those rates are not changing at this time.

Once these revisions are received, we will continue with approving this filing.

Thanks.

Janet Houser 804-371-9390

**Reset Form** 

# Long Term Care Insurance Rate Request Summary Part 1 – To Be Completed By Company

| Company Name and NAIC Number:                      |                               |
|--|-------------------------------|
| SERFF Tracking Number:                             |                               |
| Effective Date:                                    |                               |
| Revised Rates                                      |                               |
| Average Annual Premium Per Me                      | mber:                         |
| Average Requested Percentage Ra                    | ate Change Per Member:        |
| Minimum Requested Percentage I                     | Rate Change Per Member:       |
| Maximum Requested Percentage                       | Rate Change Per Member:       |
| Number of Policy Holders Affected                  | d:                            |
| Plans Affected<br>(The Form Number and "Product Na | me")                          |
| Form#  | "Product Name"(if applicable) |
|  |                               |
|  |                               |
|  |                               |
|  |                               |
|  |                               |
|  |                               |

Attach a brief narrative to summarize the key information used to develop the rates including the main drivers for new or revised rates.

This document is intended to help explain the rate filing and it is only a summary of the company's request. It is not intended to describe or include all factors or information considered in the review process. For more detailed information, please refer to the complete filing.

SERFF Tracking #: ALLB-130164458 State Tracking #: ALLB-130164458

Company Tracking #: LTC RATE FILING 2015 GP2

Allianz Life Insurance Company of North America

State:VirginiaFiling Company:TOI/Sub-TOI:LTC03I Individual Long Term Care/LTC03I.001 Qualified

Product Name: LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

# **Note To Filer**

Created By:

Janet Houser on 05/27/2016 10:58 AM

Last Edited By:

Janet Houser

**Submitted On:** 

05/27/2016 10:58 AM

Subject:

5/27/16 objection letter

#### **Comments:**

Our objection 3 regarding the partnership language in the SOV would also apply to the policyholder letter in that the language should be emphasized in some manner since it is a disclosure. I apologize if my objection was not clear.

Thanks.

Company Tracking #: LTC RATE FILING 2015 GP2

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

# **Note To Reviewer**

Created By:

Scott Schueller on 05/26/2016 01:35 PM

Last Edited By:

Scott Schueller

**Submitted On:** 

05/26/2016 01:36 PM

Subject:

experience

**Comments:** 

That is correct, the experience and projections provided were based on both the policy and riders.

Company Tracking #: LTC RATE FILING 2015 GP2

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

# **Note To Filer**

Created By:

Janet Houser on 05/26/2016 08:51 AM

Last Edited By:

Janet Houser

**Submitted On:** 

05/26/2016 09:04 AM

Subject:

experience

**Comments:** 

Please confirm the experience and projections provided were based on both the policy and riders and not the riders alone.

 Company Tracking #: LTC RATE FILING 2015 GP2

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

# **Reviewer Note**

Created By:

Janet Houser on 06/08/2016 01:39 PM

Last Edited By:

Janet Houser

**Submitted On:** 

06/14/2016 06:39 AM

Subject:

**RRS** 

**Comments:** 

**Rate Summaries** 

## **Reset Form**

# Long Term Care Insurance Rate Request Summary Part 1 – To Be Completed By Company

| Company Name and NAIC Number:                        | Allianz Life Insurance Company of North America - 90611 |   |                   |  |  |
|--|---|---|-------------------|--|--|
| SERFF Tracking Number:                               | ALLB-13016  | 64458   |                   |  |  |
| Effective Date:                                      | Upon Appro  |   |                   |  |  |
| Revised Rates  |   |   |                   |  |  |
| Average Annual Premium Per Me                        | mber: 3,  | 265   |                   |  |  |
| Average Requested Percentage R                       | ate Change Per  | r Member:   | 60%               |  |  |
| Minimum Requested Percentage Rate Change Per Member: |   |   | 0%                |  |  |
| Maximum Requested Percentage                         | Rate Change P   | Per Member:   | 80%               |  |  |
| Number of Policy Holders Affected                    | <b>d</b> : 742  | •   |                   |  |  |
| Plans Affected<br>(The Form Number and "Product Na   | ne")  |   |                   |  |  |
| Form#  | "Product N  | Name"(if applic   | cable)            |  |  |
| 11-R1<br>11-R2<br>11-R3<br>11-R4<br>11-R5            | Generat<br>Generat<br>Generat                           | tion Protecto<br>tion Protecto<br>tion Protecto<br>tion Protecto<br>tion Protecto | r   <br>r   <br>r |  |  |

Attach a brief narrative to summarize the key information used to develop the rates including the main drivers for new or revised rates.

This document is intended to help explain the rate filing and it is only a summary of the company's request. It is not intended to describe or include all factors or information considered in the review process. For more detailed information, please refer to the complete filing.

This document is intended to help explain the rate filing and it is only a summary of the company's request. It is not intended to describe or include all factors or information considered in the review process. For more detailed information, please refer to the complete filing.

When Allianz designed the LTC products years ago, we based your initial premium on actuarial assumptions, using the best information available to us at that time. We continually monitor LTC policies and work to balance the needs of our LTC policyholders with the sustainability of the business. LTC insurance rates are affected by many complex factors including interest rates, the number of people who continue coverage, how many of them collect benefits, and for how long.

Based on our actual experience, it's clear we will need to pay substantially more claims that anticipated. We know that policyholders are keeping their policies longer than originally expected, and therefore are incurring more claims due to the longer duration. As a result of these longer durations coupled with higher utilization, we are experiencing increases in claims costs.

We realize the rate increase is difficult for our policyholders, and assure you that we considered all of our options very carefully before increasing your premium.

# Long Term Care Insurance Rate Request Summary Part 2 –To Be Completed By Bureau of Insurance

Company Name and NAIC Number: Allianz Insurance Company of North America-90611

**SERFF Tracking Number:** ALLB-130164458

**Disposition**: Approve

Approval Date: 6/8/2016

#### **Revised Rates**

Average Annual Premium Per Member: \$3265
Average Requested Percentage Rate Change Per Member: 60%
Minimum Requested Percentage Rate Change Per Member: 0%
Maximum Requested Percentage Rate Change Per Member: 80%
Number of Policy Holders Affected: 742

# Summary of the Bureau of Insurance's review of the rate request:

Allianz Life Insurance Company of North America (the company) requested an average rate increase of 60%, ranging from 0% to 80%. As indicated below, the rate increase only applies to the inflation riders and does not apply to the base policy.

#### **Generation Protector II Policy Form Series: 11-P-Q-VA**

11-R3 5% LIFETIME COMPOUND BENEFIT INCREASE RIDER
11-R2 4% LIFETIME COMPOUND BENEFIT INCREASE RIDER
11-R1 3% LIFETIME COMPOUND BENEFIT INCREASE RIDER
11-R4 TWO TIMES COMPOUND BENEFIT INCREASE RIDER
11-R5 SIMPLE BENEFIT INCREASE RIDER

Specific details related to the filing can be found on the Bureau's website at the following link: http://www.scc.virginia.gov/boi/SERFFInquiry/LtcFilings.aspx.)

This is the first increase request on these forms, which were issued from 2006 to 2009 and are subject to the requirements of 14VAC5-200-153. The company has certified that no further rate schedule increases are anticipated if the requested premium rate schedule increases are implemented and the underlying assumptions, which reflect moderately adverse conditions, are realized. But, the company has agreed that in no event will it increse rates for at least four years.

When the product was designed by the company, it was based on actuarial assumptions using the best information available at the time. However, additional experience both for the company and for the industry as a whole has demonstrated that the ultimate cost of benefit payments was underestimated. This is due to several factors; including fewer policyholders terminating their policies (either through death or voluntary lapse) than originally expected and more policyholders going on claim at advanced attained ages than originally anticipated. The combination of more policyholders maintaining their policies and a higher percentage of those policyholders going on claim has resulted in increased premiums to cover the higher claim costs. These factors are have been compounded by an increasing benefit schedule over time, which is consistent with the company's request of rate increases for policies only with inflation adjustments.

This document is intended to help explain the rate filing and it is only a summary of the company's request. It is not intended to describe or include all factors or information considered in the review process. For more detailed information, please refer to the complete filing.

The Bureau reviewed the rate increase in accordance with the requirements of 14VAC5-200-153 which requires that the filing meet the "58/85" test. This test requires that the lifetime anticipated present value ("PV") of claims exceed the sum of 58% of the PV of initial premiums plus 85% of the PV of any subsequent premium increases. This effectively requires that premium increases be held to a higher loss ratio standard (85%) than the initial premiums (58%). In other words, in total for all issues of a particular LTCI policy form, at least 58 cents of each dollar of initial premium and 85 cents of each dollar of premium increase must be returned in the form of benefit payments to policyholders. The company demonstrated, using actuarially justified assumptions, that the filing met the requirements of 14VAC5-200-153 after implementation of the rate increase, and approval was therefore recommended.

To better enable policyholders to accommodate these revised premium rates, the company is offering the following options (as available):

- Maintain current benefit amounts by paying the increased premium.
- Avoid the rate increase by cancelling the benefit increase riders, although coverage will continue at the that have been applied.
- Lessen the impact of the rate increase by reducing benefit amounts and/or benefit periods and/or benefit riders. A reduction may fully or partially offset the premium increase. Benefit amounts must not be less than any minimum policy requirements.
- Elect the reduced paid-up option in the attached Premium Increase Contingent Benefit Upon Lapse Rider.

This document is intended to explain the decision made by the Bureau of Insurance and it is only a summary of the Bureau's review. It is not intended to describe or include all factors or information considered in the review process. For more detailed information, please refer to the complete filing.

Filing Company:

Allianz Life Insurance Company of North America

Virginia

LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

# **Reviewer Note**

Created By:

State:

TOI/Sub-TOI:

Janet Houser on 11/05/2015 07:13 AM

Last Edited By:

Janet Houser

**Submitted On:** 

06/08/2016 02:02 PM

Subject:

Act Review

**Comments:** 

10.27.15 - sent to Shawn; ue date 11.10.15

11.4.15 - add'l info needed

4.7.16 - add'l info rec'd; due date 4.21.16

4.15.16 - add'l info needed

5.2.16 - add'l info rec'd; due date 5.16.16

5.12.16 - recommend approval

SHAWN D. PARKS, FSA, MAAA 1114 CATAWBA RIVER RD • GREAT FALLS, SC 29055 (803) 994 - 9895 • SHAWN.PARKS@ARCGA.COM

November 4, 2015

Ms. Janet Houser
Forms and Rates Section
Life and Health Division
State Corporation Commission, Bureau of Insurance
P. O. Box 1157
Richmond, VA 23218

Subject: Actuarial Report for Long-Term Care Rate Increase Filing

**SERFF Tracking # ALLB-130164458** 

Dear Janet:

At your request, we are in process of reviewing the filing for the above captioned submission from **Allianz Life Insurance Company of North America** (the "Company"). This is a rate increase filing for a block of Individual Long Term Care Insurance.

## **Request for Information**

Please ask the Company to respond to the following:

- 1. It is stated in Section 2 of the Actuarial Memorandum that "the Company does not plan to file for any future rate increases if the proposed rate request is approved and implemented and the underlying assumptions, which reflect moderately adverse conditions, are realized." Then in Section 16, it is stated that "the Company is considering filing at least one additional future rate increase as long as it is actuarially justified." Please reconcile these contradictory statements.
- 2. It is stated in Section 15 of the Actuarial Memorandum that "moderately adverse condition is defined as a 5% increase in the lifetime loss ratio above the current best estimates." Then in Section 16, it is stated that "moderately adverse conditions for the 58/85 calculation are defined as a 10% increase in future claim cost over the current best estimate." Please reconcile these contradictory statements.
- 3. Some of the values in Exhibit 8, 58/85 Calculations do not appear to come from Exhibits 4 and 6. Please provide the source for these numbers. In addition, the Bureau requires that the projections of future experience with the projected rate increase utilize the same assumptions as the projection with no increase. In other words, the projection of future experience must be done without anti-selection or benefit reductions.
- 4. Please provide actual-to-expected analysis for each of the current assumptions (morbidity, mortality, and lapse).

If you have any questions regarding this filing, please call me at 803-994-9895.

Sincerely,

Shawn D. Parks, FSA, MAAA

SHAWN D. PARKS, FSA, MAAA 1114 CATAWBA RIVER RD • GREAT FALLS, SC 29055 (803) 994 - 9895 • SHAWN.PARKS@ARCGA.COM

April 15, 2016

Ms. Janet Houser Forms and Rates Section Life and Health Division State Corporation Commission, Bureau of Insurance P. O. Box 1157 Richmond, VA 23218

Subject: Actuarial Report for Long-Term Care Rate Increase Filing

**SERFF Tracking # ALLB-130164458** 

Dear Janet:

At your request, we are in process of reviewing the filing for the above captioned submission from **Allianz Life Insurance Company of North America** (the "Company"). This is a rate increase filing for a block of Individual Long Term Care Insurance.

### **Request for Information**

Please ask the Company to respond to the following:

- 1. Based on the data provided in Table 4 of the April 6, 2016 response letter, the experienced voluntary lapse rate for durations 7+ is 0.99%. Please provide a sensitivity analysis projection using an ultimate voluntary lapse rate of 1.0%. Please include the corresponding 58/85 test with no reduction in benefits or adverse selection.
- 2. Please comment on the Company's standard for full credibility and the corresponding credibility of the experience underlying the morbidity assumptions. Please include the number of claims in the historical experience.

If you have any questions regarding this filing, please call me at 803-994-9895.

Sincerely,

Shawn D. Parks, FSA, MAAA

SHAWN D. PARKS, FSA, MAAA 1114 CATAWBA RIVER RD • GREAT FALLS, SC 29055 (803) 994 - 9895 • SHAWN.PARKS@ARCGA.COM

May 12, 2016

Ms. Janet Houser Forms and Rates Section Life and Health Division State Corporation Commission, Bureau of Insurance P. O. Box 1157 Richmond, VA 23218

Subject: Actuarial Report for Long-Term Care Rate Increase Filing

**SERFF Tracking # ALLB-130164458** 

Dear Janet:

At your request, we have reviewed the filing for the above captioned submission from **Allianz Life Insurance Company of North America** (the "Company"). This is a rate increase filing for a block of Individual Long Term Care Insurance.

#### Recommendation

Since after review of the Company's submission, we believe that the Company has demonstrated that the request is in compliance with all applicable regulations and standards, we therefore recommend that the Virginia SCC Bureau of Insurance (the "Bureau") **approve** the proposed rates. Our review of this filing was performed according to the provisions of 14VAC5-200 et seq. and applicable Actuarial Standards of Practice, including Actuarial Standard of Practice No. 18, "Long-Term Care Insurance" and Actuarial Standard of Practice No. 8, "Regulatory Filings for Rates and Financial Projections for Health Plans".

#### **Historical Background**

The Company is requesting a rate increase which applies only to policies with benefit increase riders and varies by rider as shown below:

| Rider       | Inflation Type | Rate Increase |
|-------------|----------------|---------------|
| 11-R1       | 3% Compound    | 50%           |
| 11-R2       | 4% Compound    | 70%           |
| 11-R3       | 5% Compound    | 80%           |
| 11-R4       | 2X Compound    | 50%           |
| 11-R5       | Simple         | 50%           |
| Base policy |                | 0%            |

The Company is willing to guarantee that rates will not be increased for four years if the proposed rates are approved. This is the first increase request on these forms, which were issued from 2006-2009 and are therefore subject to 14VAC5-200-153. There were 742 policyholders representing 5% of the nationwide premium in Virginia as of 12/31/2014.

In the course of our review, requests were sent to the Company for additional information. The Company's responses clarified issues raised in our review. The Bureau was involved in all correspondence between us and the Company.

#### **Analysis**

Our approach was to a) review the filing materials, b) check the filing contents for compliance with all relevant regulations, c) verify the calculations in the supplied exhibits, and d) review the assumptions and projections for reasonableness.

#### **Assumptions**

Morbidity – the morbidity assumptions are derived from blending Company-specific experience with consultant or industry data where credibility becomes thin. The assumptions are based on a claims study conducted of experience through 12/31/2013 with about 1.1 million life years of exposure. The Company provided details of how this study was performed. In general, the morbidity is better at attained ages below 80 and worse at attained ages above 80 than original assumptions.

One often-quoted industry basis for measuring credibility is the June 12, 2003 letter from the American Academy of Actuaries Long-Term Care Reserving Work Group to the Accident and Health Working Group of the NAIC Life and Health Actuarial Task Force which recommended a "Rule of Thumb" standard for full credibility of incidence rates of 1,082 claims (within 5% of the true claims with 90% confidence). The letter also reports that the standard for aggregate loss is a multiple of the standard for incidence, in the range of 3 to 5 times (3,246 to 5,410 claims).

In contrast, the Company uses a standard of 1,000 for full credibility. The Company's experience data on these forms includes 194 claims, so it is only partially credible. However, the morbidity assumptions utilize the experience of all LTC forms of the Company.

*Voluntary Lapse* – the lapse assumption at durations 7+ is 0.75%. When combined with the revised mortality assumption, the experienced voluntary lapse rate for durations 7+ as detailed in Table 4 of the April 6, 2016 response letter is 0.99%. Due to this difference, we asked the Company to provide a sensitivity test using a duration 7+ rate of 1.0% for future voluntary lapses.

Mortality - 80% of gender-distinct 1994 Group Annuitant Mortality Table with improvement from 1994 to 2014.

Moderately Adverse Assumption – defined as a 10% increase in the future claim costs above current best estimate.

Rate Shock – The Company assumes an increase in lapses of 2% due to the rate increase. It also assumes benefit reductions (decreases in COLA, benefit period and daily benefit amount) as a result of the increase.

## Justification for Rate Increase

#### 58/85 Test

We requested the Company submit the 58/85 Test without shock lapses or benefit reductions to avoid the distortion created by those items. The results are shown below. In addition, we've included the sensitivity results with 1% ultimate lapse rate. We also calculated the test using the original 66% loss ratio.

| 58/85 Test               | Basic | 1%    | 66/85 |
|--------------------------|-------|-------|-------|
|                          |       | Lapse |       |
| Total Incurred Claims    | 734.9 | 655.3 | 734.9 |
| Required Claims          | 538.5 | 536.5 | 591.3 |
| Maximum Increase to Pass | 136%  | 106%  | 115%  |

#### State Rate Equity

Since this is the first increase on these forms, we did not analyze the average rate increase nationwide.

#### **Reliance and Qualifications**

We are providing this letter to you to communicate our findings regarding the filing under consideration. Distribution of this letter to parties other than the Bureau by us or any other party does not constitute advice by us to those parties. The reliance of parties other than the Bureau on any aspect of our work is not authorized by us and is done at their own risk.

In arriving at our opinion, we used and relied on information provided by the Company and the Bureau without independent investigation or verification. If this information is inaccurate, incomplete, or out of date, our findings and conclusions may need to be revised. While we have relied on the data provided without independent investigation or verification, we have reviewed the data for consistency and reasonableness. Where we found the data inconsistent or unreasonable, we have requested clarification.

We have utilized generally accepted actuarial methodologies in arriving at our opinion. I am a member of the American Academy of Actuaries and meet that body's Qualification Standards to render this opinion.

If you have any questions regarding this filing, please call me at 803-994-9895.

Sincerely,

Shawn D. Parks, FSA, MAAA

SERFF Tracking #: State Tracking #: Company Tracking #: LTC RATE FILING 2015 GP2 ALLB-130164458 ALLB-130164458

Filing Company: Allianz Life Insurance Company of North America

LTC03I Individual Long Term Care/LTC03I.001 Qualified TOI/Sub-TOI:

Product Name: LTC RATE FILING 2015 GP2

Virginia

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

## Form Schedule

State:

| Lead F | orm Number:      |  |          |      |         |                 |             |  |
|--------|------------------|--|----------|------|---------|-----------------|-------------|--|
| Item   | Schedule Item    | Form   | Form     | Form | Form    | Action Specific | Readability |  |
| No.    | Status           | Name   | Number   | Туре | Action  | Data            | Score       | Attachments  |
| 1      | Filed 06/08/2016 | Policyholder Rate<br>Increase Notification<br>Letter | S2280-VA | ОТН  | Initial |                 | 50.000      | S2280-VA GP2<br>Policyholder<br>Notification<br>Letter.pdf |

Form Type Legend:

|      | po Logolia.   |      |  |
|------|---|------|--|
| ADV  | Advertising   | AEF  | Application/Enrollment Form                              |
| CER  | Certificate   | CERA | Certificate Amendment, Insert Page, Endorsement or Rider |
| DDP  | Data/Declaration Pages  | FND  | Funding Agreement (Annuity, Individual and Group)        |
| MTX  | Matrix  | NOC  | Notice of Coverage                                       |
| ОТН  | Other   | OUT  | Outline of Coverage                                      |
| PJK  | Policy Jacket   | POL  | Policy/Contract/Fraternal Certificate                    |
| POLA | Policy/Contract/Fraternal Certificate: Amendment, Insert Page, Endorsement or Rider | SCH  | Schedule Pages   |

Allianz Life Insurance Company of North America PO Box 59060 Minneapolis, MN 55459-0060 [800.789.6896]



[Date]

[Owner First Name] [Owner Middle Name] [Owner Last Name] [Owner Address L1] [Owner Address L2] [Owner City], [Owner State] [Owner Zip] [Owner Zip Rest]

[Policy Number]

Important notice of increase in your long term care insurance premium with time-sensitive options

Dear [Owner First Name] [Owner Last Name],

At Allianz Life Insurance Company of North America (Allianz), our highest priority is fulfilling our commitments to our policyholders. To this end, we periodically compare the initial premium projections we made on our long term care policies to our actual claims experience. During a recent review we determined that we need to increase the premium rates on our long term care policies.

We want you to know that we took this decision very seriously and weighed several options before filing a [Overall Increase %] premium rate increase. We assure you that this premium increase applies to classes of our long term care policies in aggregate, and does not in any way reflect an individual policyholder's age, health status, or claim activity.

We also want you to know that the Virginia State Corporation Commission reviewed this rate increase and found it to be compliant with applicable Virginia laws and regulations. You can review this and all premiumrate filings online at www.scc.virginia.gov/BOI.

## Your premium increase

Based on your current benefits, the premium rate increase will raise your current premium of [Billed Premium] [Bill Mode] to [adj'd billing1] [Bill Mode], effective with your first bill on or after [anniversary1].

Please note that recent changes to your policy may not be reflected in the premium rate above. For up-to-date information about your current premium and benefit levels, you can request a current policy schedule from Allianz by contacting us at [800.789.6896]. Please also be aware that premium rates could change again in the future. In the event of a future rate increase, you'll have options similar to those we describe in the next section.

## Your options

We understand that this premium increase may significantly impact some of our policyholders. That's why we're offering the flexibility to choose among the following options, which we discuss in more detail in the enclosed Frequently Asked Questions (FAQs):

| <b>A. Maintain your current benefit amounts</b> by paying the increased premium.                  |
|---|
| B. Lessen the impact of the rate increase on your premiums through benefit reduction(s) or rider  |
| cancellation(s).  |
| C. Elect the paid-up option in the attached Premium Increase Contingent Benefit Upon Lapse Rider  |
| with a reduced Maximum Lifetime Benefit or Benefit Amount.  |
| D. Convert your contract to paid-up coverage with a reduced Maximum Lifetime Benefit or Benefit   |
| Amount available through a Non-Forfeiture Rider [or Return of Premium Rider] that may be included |
| with your policy.   |
|   |

If you wish to elect options B, C, or D, please complete the enclosed coverage change request form and return it to us. Please be aware that the options listed above may not be of equal value and some may have time limitations. For more details, please see Question 4 in the attached FAQs. We encourage you to contact us or your financial professional to help determine which may be suitable for your needs.

## We're here to help

Before you make any changes, we strongly encourage you to contact one of our customer service representatives at [800.789.6896], weekdays from [8:00 a.m. to 5:00 p.m. CST]. They can provide you with details about your options, and help you determine how changes to your long term care insurance coverage will impact your benefits and premium payments. You can also contact us or your Allianz agent for help with the change request form. We value the trust you've placed in us, and we're here to help.

Sincerely,

[Individual's name] [Individual's title]

NOTE: This letter is not a bill. Please retain a copy of this letter with your policy for future reference.

Enclosed: Coverage Change Request Form

Premium Increase Contingent Benefit Upon Lapse Rider Premium Increase Contingent Benefit Upon Lapse Rider Schedule Benefit Change Endorsement

[cc:] [Agent First Name] [Agent Middle Name] [Agent Last Name]

Guarantees are backed by the financial strength of Allianz Life Insurance Company of North America.

Products are issued by Allianz Life Insurance Company of North America, 5701 Golden Hills Drive, Minneapolis, MN 55416-1297. [800.789.6896]

## **Frequently asked questions**

## 1. Why are rates increasing?

When Allianz designed its long term care (LTC) insurance products several years ago, we based your initial premium on actuarial assumptions, which used the best information available to us at that time. Since then we've continually monitored our LTC policies to compare those initial projections against our actual claim experience. During a recent review we determined that, due to a combination of factors we outline below, we need to increase the premium rates on our long term care policies.

We realize the rate increase is difficult for our policyholders, and assure you that we considered all of our options very carefully before increasing your premium. We also want to reassure you that this premium increase applies to classes of our long term care policies in aggregate, and does not in any way reflect an individual policyholder's age, health status, or claim activity. Your class is determined by which benefit increase rider is attached to your policy. In your case, you have the [COLA Rider] attached to your policy.

#### 2. How was the rate increase amount determined?

LTC insurance rates are affected by many complex factors including the rising cost of health care, interest rates, the number of people who continue coverage, how many policyholders collect benefits, and for how long. Policyholders are using more benefits than our actuaries anticipated when they originally priced our long term care policies. Based on our experience – and new expectations – we need to adjust premiums to ensure adequate funding to pay current and anticipated future claims.

Once we determine that a proposed premium rate increase is necessary, we submit the information along with supporting data through an approval process with your state's insurance regulators. The state provides an independent perspective that is crucial in establishing an increase amount that balances the needs of our policyholders and our company. Ultimately, the state approves an increase that considers all of the factors noted above.

## 3. Did my state approve my rate increase?

Yes. When we submit a rate increase request to a state, the submission includes an actuarial justification discussing the reasonableness of the relationship between premiums charged and expected benefit payments. Each state conducts its own review of the submission and determines whether the state-specific rate increase is warranted, and in what amount. This process is designed to prevent premiums in one state being increased to cover insufficient premiums in another state.

## 4. What are my options?

To help ease the impact of this rate increase, we're offering our policyholders several options. Please see the enclosed Coverage Change Request form for more details:

- A. Maintain your current benefit amounts by paying the increased premium.
- B. Lessen the impact of the rate increase on your premiums through benefit reduction(s) or rider cancellation(s) that may fully or partially offset the premium increase. [(Additionally, please note that some benefit reduction options may result in a loss in Virginia state partnership status, which may reduce policyholder protections.)]
  - Reduce benefit amounts and/or benefit periods, or increase your Elimination Period. Please note: Benefit amounts or periods must not be less than any minimum policy requirements.
  - Cancel optional riders that you purchased with your policy. Please refer to the specific riders attached to your policy for additional details regarding the rider terms. [

- Until [COLA Vesting Date], you may cancel the [COLA Rider] while keeping the rider's accrued benefit increase percentages as of the time of cancellation. After the rider is cancelled, the applicable benefit amount(s) will no longer increase. [You also have the option to exchange the [COLA Rider] for [the 4% Lifetime Compound Benefit Increase Rider,] the 3% Lifetime Compound Benefit Increase Rider[, or the Simple Benefit Increase Rider].] Note that this offer is only available if we receive written notice requesting the change before [COLA Vesting Date]. [Also, [reducing or] cancelling the [COLA Rider] may result in a loss of your state partnership status, which may reduce policyholder protections.]]
- C. Elect the paid-up option in the attached Premium Increase Contingent Benefit Upon Lapse Rider with a reduced Maximum Lifetime Benefit or Benefit Amount. See the specific rider attached to your policy for details. Please note that we must receive your request prior to [Latest Election Date]. There is no charge for this rider. However, because this paid-up option starts on your upcoming anniversary date, you must continue paying premiums up to that policy anniversary date.
- D. Convert your contract to paid-up coverage with a reduced Maximum Lifetime Benefit or Benefit Amount by electing options through a Non-Forfeiture Rider [or Return of Premium Rider] that may be included with your policy. Premiums will no longer be required after the start of the paid-up coverage. Please refer to the specific rider attached to your policy for additional details regarding the rider terms.

Please note that the options listed above may not be of equal value. We encourage you to contact us or your financial professional to help determine which may be suitable for your needs.

## 5. When is the premium increase effective?

Please see the enclosed Premium Increase Contingent Benefit Upon Lapse Rider Schedule.

## 6. How much time do I have to make a decision?

Some of the options available to you are time-sensitive. Please note any dates listed in Question 4, What are my options, listed above. We would advise that you make a decision prior to your upcoming policy anniversary on [anniversary1].

# 7. The letter states that "premium rates could change again in the future." What does this mean?

It is possible there will be additional rate increases in the future. An increase will only occur if we can demonstrate additional premium amounts are needed to sustain the policies, and then the increase would need to be filed with state insurance regulators for approval.

Keep in mind that the rate increase will not change your policy's benefits. As long as you continue paying full premiums, your policy will remain in effect and unchanged. Note that your benefits would decrease if you make changes to your policy, such as by reducing your benefits, or by electing reduced paid-up coverage.

# 8. I've never filed a claim. Why am I getting a rate increase?

This premium increase applies to classes of our long term care policies in aggregate, and does not in any way reflect an individual policyholder's age, health status, or claim activity. Your class is determined by which benefit increase rider is attached to your policy. In your case, you have the [COLA Rider] attached to your policy.

## 9. I am currently on claim. Am I affected by this rate increase?

If you are currently in claim status and not paying premiums because of a Waiver of Premium provision in your policy, you do not need to pay the increased premium yet. Once you are no longer in claim status and premiums are due, you will need to pay the increased premium to maintain your coverage. If your policy does not provide for a Waiver of Premium benefit, you will be required to pay the increased premium.

## 10. Will policies with a 10-pay rider be impacted?

The increase will impact only the remaining premiums in your 10-year premium paying period. Once the policy is fully paid-up, the policyholder has no further premium obligations.

# 11. What if I use EFT or an automatic online (or third-party) accounts to pay my premium?

Please make sure that your premium payments are updated for your new premium rate. Otherwise your policy could lapse if we don't receive the full premium amount. Below are some additional considerations for the payment of your new premiums.

- If you pay your premiums with an EFT from your bank account, this notification requires timesensitive decisions that may affect the amount of your EFT bank withdrawal.
  - o If you scheduled your draft to occur prior to your upcoming anniversary for the premiums due on or after your anniversary, we'll apply the increased premium to that scheduled draft unless you request a change in coverage as described in this notification.
  - o If you do not want the increase to apply to your EFT, please contact us to remove your premium payment from EFT and change to direct bill.
  - o If you choose the Reduced Paid Up Option, no further premium payments will be due after your anniversary date and the EFT draft will be discontinued at that time.
- If you pay your premiums using automatic online (or third-party) accounts, please update them for your new payment amount.

## 12.If I wish to cancel my policy, what steps do I take?

We encourage you to keep this important coverage. There may be options available for you to reduce your benefits in order to keep your premium at approximately the same amount as before the premium increase. You may also be able to exercise an option which would provide a paid up policy with a shortened benefit period. We encourage you to consult with your family, your insurance agent, or financial advisor before making a decision to reduce or cancel your coverage. If you choose to cancel your policy, we will be happy to do so upon receipt of your signed and dated request.

# 13. Whom can I contact with questions?

Before you make any changes, we strongly encourage you to contact one of our customer service representatives at [800.789.6896], weekdays from [8:00 a.m. to 5:00 p.m. CST]. They can provide you with details about your options, and help you determine how changes to your long term care insurance coverage will impact your benefits and premium payments. You can also contact us or your Allianz agent for help with the change request form. We value the trust you've placed in us, and we're here to help.

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

## **Rate Information**

Rate data applies to filing.

Filing Method: SERFF

Rate Change Type: Increase

Overall Percentage of Last Rate Revision: 0.000%

**Effective Date of Last Rate Revision:** 

Filing Method of Last Filing: N/A

## **Company Rate Information**

| Company<br>Name:                                      | Overall %<br>Indicated<br>Change: | Overall %<br>Rate<br>Impact: | Written Premium<br>Change for<br>this Program: | Number of Policy<br>Holders Affected<br>for this Program: | Written<br>Premium for<br>this Program: | Maximum %<br>Change<br>(where req'd): | Minimum %<br>Change<br>(where req'd): |
|---|-----------------------------------|------------------------------|--|---|---|---------------------------------------|---------------------------------------|
| Allianz Life Insurance<br>Company of North<br>America | 60.000%                           | 60.000%                      | \$1,027,284                                    | 742   | \$1,712,139                             | 80.000%                               | 0.000%                                |

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

**Project Name/Number:** LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

## Rate/Rule Schedule

| Item<br>No. | Schedule<br>Item<br>Status | Document Name | Affected Form Numbers (Separated with commas) | Rate Action | Rate Action Information  | Attachments                   |
|-------------|----------------------------|---------------|---|-------------|--|-------------------------------|
| 1           |                            | Rate Tables   | 11-R1, 11-R2, 11-R3, 11-R4,<br>11-R5          | Revised     | Previous State Filing Number:<br>N/A<br>Percent Rate Change Request:<br>60 | VA GP2 Rates<br>PROPOSED.pdf, |
| 2           |                            | N/A           |   | Revised     | Previous State Filing Number: Percent Rate Change Request:                 |                               |
| 3           |                            | N/A           |   | Revised     | Previous State Filing Number: Percent Rate Change Request:                 |                               |
| 4           |                            | N/A           |   | Revised     | Previous State Filing Number:  Percent Rate Change Request:                |                               |
| 5           |                            | N/A           |   | Revised     | Previous State Filing Number:  Percent Rate Change Request:                |                               |

## Generation Protector 2 (Proposed)

#### **Rider Premium Rates and Premium Factors**

| rease | pase premium rate<br>80% | 70%      | 50%      | 50%    | 50%       | 0%     | 0%        | 0%   | 0%         | 0%         | 0%           |                    |                         |             |
|-------|--------------------------|----------|----------|--------|-----------|--------|-----------|------|------------|------------|--------------|--------------------|-------------------------|-------------|
|       |                          |          |          |        | 5%        |        |           |      |            | Full       |              |                    |                         |             |
|       | 5%                       | 4%       | 3%       | 5%     | Compound  |        |           |      | Return of  | Return of  |              |                    |                         |             |
|       | Compound                 | Compound | Compound | Simple | COLA      |        | Paid-up   |      | Premium    | Premium    | Spousal      | Benefit            | Restoration             |             |
| Age   | COLA                     | COLA     | COLA     | COLA   | w/ 2x Cap | 10-pay | at age 65 | SBP  | Upon Death | Upon Death | Survivorship | Period             | of Benefits             |             |
| 18-40 | 4.79                     | 3.84     | 2.78     | 2.69   | 2.40      | 3.72   | 1.75      | 1.20 | 1.30       | 1.49       | 1.12         | 2 year             | 1.08                    |             |
| 41    | 4.79                     | 3.84     | 2.78     | 2.69   | 2.40      | 3.72   | 1.75      | 1.20 | 1.30       | 1.49       | 1.12         | 3 year             | 1.05                    |             |
| 42    | 4.79                     | 3.84     | 2.78     | 2.69   | 2.40      | 3.72   | 1.75      | 1.20 | 1.30       | 1.49       | 1.12         | 4 year             | 1.04                    |             |
| 43    | 4.77                     | 3.83     | 2.78     | 2.69   | 2.40      | 3.63   | 1.78      | 1.20 | 1.32       | 1.51       | 1.12         | 5 year             | 1.04                    |             |
| 44    | 4.75                     | 3.81     | 2.78     | 2.69   | 2.40      | 3.53   | 1.80      | 1.20 | 1.34       | 1.53       | 1.12         | 8 year             | 1.04                    |             |
| 45    | 4.73                     | 3.81     | 2.78     | 2.70   | 2.40      | 3.44   | 1.83      | 1.21 | 1.35       | 1.56       | 1.12         | Lifetime           | N/A                     |             |
| 46    | 4.72                     | 3.79     | 2.78     | 2.70   | 2.40      | 3.34   | 1.85      | 1.21 | 1.37       | 1.58       | 1.12         |                    |                         |             |
| 47    | 4.70                     | 3.77     | 2.78     | 2.70   | 2.40      | 3.25   | 1.88      | 1.21 | 1.39       | 1.60       | 1.12         |                    | Spousal                 | Spousa      |
| 48    | 4.66                     | 3.76     | 2.78     | 2.69   | 2.40      | 3.18   | 1.95      | 1.21 | 1.41       | 1.62       | 1.12         |                    | Shared Care             | Shared Care |
| 49    | 4.63                     | 3.74     | 2.78     | 2.69   | 2.40      | 3.10   | 2.03      | 1.22 | 1.43       | 1.65       | 1.12         | Benefit            | (with no                | (with 1 y   |
| 50    | 4.61                     | 3.74     | 2.76     | 2.67   | 2.40      | 3.03   | 2.10      | 1.22 | 1.45       | 1.67       | 1.12         | Period             | residual)               | residual    |
| 51    | 4.57                     | 3.72     | 2.76     | 2.67   | 2.40      | 2.95   | 2.18      | 1.22 | 1.47       | 1.70       | 1.12         | 2 year             | 1.21                    | 1.12        |
| 52    | 4.54                     | 3.71     | 2.76     | 2.66   | 2.40      | 2.88   | 2.25      | 1.22 | 1.49       | 1.72       | 1.12         | 3 year             | 1.14                    | 1.11        |
| 53    | 4.43                     | 3.64     | 2.72     | 2.64   | 2.40      | 2.81   | 2.39      | 1.23 | 1.52       | 1.76       | 1.12         | 4 year             | 1.09                    | 1.08        |
| 54    | 4.32                     | 3.55     | 2.67     | 2.63   | 2.40      | 2.74   | 2.52      | 1.23 | 1.56       | 1.80       | 1.12         | 5 year             | 1.06                    | 1.05        |
| 55    | 4.19                     | 3.49     | 2.64     | 2.61   | 2.40      | 2.66   | 2.52      | 1.23 | 1.59       | 1.84       | 1.12         | •                  | 1.02                    | 1.02        |
| 56    |                          |          | 2.60     | 2.60   |           | 2.59   | -         |      |            |            |              | 8 year             |                         | N / A       |
| 57    | 4.09                     | 3.40     |          |        | 2.40      |        | -         | 1.23 | 1.62       | 1.89       | 1.11         | Lifetime           | N/A                     | N / A       |
|       | 3.98                     | 3.33     | 2.55     | 2.58   | 2.40      | 2.52   | -         | 1.24 | 1.66       | 1.93       | 1.11         | Destauation of Des |                         |             |
| 58    | 3.92                     | 3.30     | 2.52     | 2.57   | 2.40      | 2.45   |           | 1.24 | 1.69       | 1.97       | 1.11         |                    | nefits and Shared Car   |             |
| 59    | 3.87                     | 3.25     | 2.49     | 2.55   | 2.39      | 2.37   | -         | 1.24 | 1.73       | 2.01       | 1.11         | not available with | Lifetime benefit perior | d option.   |
| 60    | 3.83                     | 3.21     | 2.46     | 2.55   | 2.39      | 2.30   | -         | 1.24 | 1.76       | 2.05       | 1.11         |                    |                         |             |
| 61    | 3.78                     | 3.16     | 2.43     | 2.54   | 2.37      | 2.22   | -         | 1.25 | 1.79       | 2.10       | 1.11         | HCC Monthly Be     |                         | 1.06        |
| 62    | 3.73                     | 3.13     | 2.40     | 2.52   | 2.37      | 2.15   | -         | 1.25 | 1.83       | 2.14       | 1.11         | Spousal Waiver     |                         | 1.03        |
| 63    | 3.65                     | 3.08     | 2.37     | 2.49   | 2.36      | 2.08   | -         | 1.25 | 1.90       | 2.23       | 1.11         | HCC Calendar Da    |                         | 1.02        |
| 64    | 3.58                     | 3.03     | 2.34     | 2.46   | 2.34      | 2.02   | -         | 1.25 | 1.98       | 2.33       | 1.11         | Waiver of HCC E    | P                       | 1.12        |
| 65    | 3.49                     | 2.96     | 2.31     | 2.45   | 2.34      | 1.95   | -         | 1.26 | 2.06       | 2.43       | 1.11         |                    |                         |             |
| 66    | 3.42                     | 2.91     | 2.28     | 2.42   | 2.33      | 1.89   | -         | 1.26 | 2.14       | 2.53       | 1.10         | Monthly Indemni    | ty Benefit              |             |
| 67    | 3.35                     | 2.86     | 2.25     | 2.39   | 2.31      | 1.82   | -         | 1.26 | 2.23       | 2.64       | 1.10         | 10%                |                         | 1.04        |
| 68    | 3.28                     | 2.81     | 2.22     | 2.36   | 2.30      | 1.76   | -         | 1.26 | 2.36       | 2.81       | 1.10         | 25%                |                         | 1.10        |
| 69    | 3.20                     | 2.75     | 2.19     | 2.33   | 2.28      | 1.71   | -         | 1.27 | 2.50       | 3.00       | 1.10         | 50%                |                         | 1.23        |
| 70    | 3.13                     | 2.70     | 2.16     | 2.31   | 2.27      | 1.65   | -         | 1.27 | 2.65       | 3.19       | 1.09         | 100% (age < 60)    |                         | 2.57        |
| 71    | 3.06                     | 2.65     | 2.13     | 2.28   | 2.25      | 1.60   | -         | 1.27 | 2.80       | 3.40       | 1.08         | 100% (age 60+)     |                         | 2.23        |
| 72    | 2.99                     | 2.60     | 2.10     | 2.25   | 2.24      | 1.54   | -         | 1.27 | 2.97       | 3.62       | 1.07         | ( 0 /              |                         |             |
| 73    | 2.93                     | 2.57     | 2.09     | 2.22   | 2.22      | 1.48   | _         | 1.28 | 3.54       | 4.54       | 1.06         | Elimination Perio  | d Factors               |             |
| 74    | 2.88                     | 2.53     | 2.06     | 2.21   | 2.21      | 1.42   | _         | 1.28 | 4.23       | 5.71       | 1.05         | 7 Day              |                         | 1.30        |
| 75    | 2.83                     | 2.48     | 2.04     | 2.18   | 2.18      | 1.37   | _         | 1.28 | 5.06       | 7.21       | 1.04         | 30 Day             |                         | 1.18        |
| 76    | 2.77                     | 2.45     | 2.01     | 2.16   | 2.16      | 1.31   | _         | 1.28 | 5.82       | 9.15       | 1.03         | 60 Day             |                         | 1.08        |
| 77    | 2.72                     | 2.41     | 2.00     | 2.13   | 2.15      | 1.25   | _         | 1.29 | 6.07       | 11.66      | 1.02         | 90 Day             |                         | 1.00        |
| 78    | 2.68                     | 2.38     | 1.98     | 2.12   | 2.13      | 1.22   | _         | 1.29 | 7.28       | 13.99      | 1.02         | 180 Day            |                         | 0.90        |
| 79    | 2.63                     | 2.35     | 1.95     | 2.10   | 2.12      | 1.19   | _         | 1.29 | 8.74       | 16.79      | 1.02         | 365 Day            |                         | 0.80        |
| 80    | 2.59                     | 2.33     | 1.94     | 2.10   | 2.12      | 1.16   | -         | 1.29 | 10.48      | 20.15      | 1.02         | 303 Day            |                         | 0.00        |
| 81    | 2.59                     | 2.33     |          | 2.07   |           |        | -         |      | 10.48      | 20.15      | 1.02         | Diele Olean France |                         |             |
|       |                          |          | 1.91     |        | 2.09      | 1.13   |           | 1.30 |            |            |              | Risk Class Facto   | rs                      | 0.00        |
| 82    | 2.50                     | 2.26     | 1.89     | 2.04   | 2.07      | 1.10   | -         | 1.30 | 10.48      | 20.15      | 1.02         | Preferred Plus     |                         | 0.85        |
| 83    | 2.47                     | 2.23     | 1.88     | 2.03   | 2.04      | 1.09   | -         | 1.30 | 10.48      | 20.15      | 1.02         | Preferred          |                         | 1.00        |
| 84    | 2.43                     | 2.21     | 1.86     | 2.01   | 2.01      | 1.08   |           | 1.30 | 10.48      | 20.15      | 1.02         | Standard           |                         | 1.20        |
| 85    | 2.41                     | 2.19     | 1.85     | 1.98   | 2.00      | 0      | 0         | 1.30 | 10.48      | 20.15      | 1.02         | Select I           |                         | 1.50        |
| 88    | 2.32                     | 2.13     | 1.80     | 1.92   | 1.94      | -      | -         | 1.30 | 10.48      | 20.15      | 1.02         | Select IV          |                         | 3.00        |
| 89    | 2.30                     | 2.09     | 1.77     | 1.89   | 1.92      | -      | -         | 1.30 | 10.48      | 20.15      | 1.02         |                    |                         |             |
| 90    | 2.27                     | 2.07     | 1.76     | 1.86   | 1.89      | -      | -         | 1.30 | 10.48      | 20.15      | 1.02         | Discount Factors   | <b>1</b>                |             |
| 91    | 2.25                     | 2.04     | 1.74     | 1.85   | 1.88      | -      | -         | 1.30 | 10.48      | 20.15      | 1.02         | Married            |                         | 0.90        |
| 92+   | 2.21                     | 2.02     | 1.73     | 1.82   | 1.85      | -      | -         | 1.30 | 10.48      | 20.15      | 1.02         | Spousal            |                         | 0.70        |
|       |                          |          |          |        |           |        |           |      |            |            |              | Facility Care Only | Endorcoment             | 0.90        |

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

**Project Name/Number:** LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

# **Supporting Document Schedules**

| Satisfied - Item: | Certification of Compliance  |
|-------------------|--|
| Comments:         |  |
| Attachment(s):    | S2280-VA GP2 Policyholder Notification Letter_Certification of Compliance - Signed.pdf |
| Item Status:      | Received & Acknowledged  |
| Status Date:      | 05/27/2016   |
| Satisfied - Item: | L&H Actuarial Memorandum   |
| Comments:         |  |
| Attachment(s):    | VA GP2 Act Memo.pdf  |
| Item Status:      | Received & Acknowledged  |
| Status Date:      | 06/08/2016   |
| Satisfied - Item: | L&H Readability - Health   |
| Comments:         |  |
| Attachment(s):    | S2280-VA GP2 Policyholder Notification Letter_Readability Certification - Signed.pdf   |
| Item Status:      | Received & Acknowledged  |
| Status Date:      | 05/27/2016   |
| Satisfied - Item: | Long Term Care Insurance Rate Request Summary  |
| Comments:         |  |
| Attachment(s):    | Part 1LTC Rate Request Summary 12_31_14 Completed.pdf                                  |
| Item Status:      | Received & Acknowledged  |
| Status Date:      | 06/08/2016   |
| Satisfied - Item: | Actual to Expected Exhibit   |
| Comments:         |  |
| Attachment(s):    | Actual to Expected Analysis GP2.pdf  |
| Item Status:      | Received & Acknowledged  |
| Status Date:      | 11/05/2015   |
| Satisfied - Item: | Average Premium  |
| Comments:         |  |
| Attachment(s):    | Average Premium GP2.pdf  |
| Item Status:      | Received & Acknowledged  |

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

**Project Name/Number:** LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

| Status Date:      | 11/05/2015   |
|-------------------|--|
| Satisfied - Item: | Draft policyholder letter  |
| Comments:         | Please see the Form Schedule tab for the Policyholder Rate Increase Notification Letter.   |
| Attachment(s):    |  |
| Item Status:      | Received & Acknowledged  |
| Status Date:      | 05/27/2016   |
| Satisfied - Item: | Response to Objection Received on November 5, 2015   |
| Comments:         |  |
| Attachment(s):    | Response to Objection Received on Nov 5 2015.pdf   |
| Item Status:      | Received & Acknowledged  |
| Status Date:      | 05/27/2016   |
| Satisfied - Item: | Current Assumption Justification   |
| Comments:         |  |
| Attachment(s):    | Current Assumption Justification.pdf   |
| Item Status:      | Received & Acknowledged  |
| Status Date:      | 05/27/2016   |
| Satisfied - Item: | Copy of Policy form 10-P-Q-VA and 11-P-Q-VA  |
| Comments:         |  |
| Attachment(s):    | GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 1-50).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 51-100).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 101-150).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 151-200).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 201-250).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 251-300).pdf GP2 - VA - PF Filings - 11-PS-Q 8 30 2006 (Pages 301-354).pdf GPR - VA - PF Filings - 10-CR 11 17 2004 (Pages 1-100).pdf GPR - VA - PF Filings - 10-CR 11 17 2004 (Pages 101-160).pdf GPR - VA - PF Filings - 10-CR 11 17 2004 (Pages 161-240).pdf |
| Item Status:      | Received & Acknowledged  |
| Status Date:      | 05/27/2016   |
| Satisfied - Item: | Documents Provided Alongside the Policyholder Notification Letter  |
| Comments:         |  |

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

**Project Name/Number:** LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

| Attachment(s):  Item Status: | CS95369 Premium Increase Contingent Benefit Upon Lapse Rider Schedule Page.pdf Policy Endorsement 95440.pdf R95369-VA Premium Increase Contingent Benefit Upon Lapse Rider.pdf S2281-Coverage Change Request Form.pdf Received & Acknowledged |
|------------------------------|---|
| Status Date:                 | 05/27/2016  |
| Satisfied - Item:            | Statement of Variability  |
| Comments:                    |   |
| Attachment(s):               | SOV for S2280-VA GP2 Policyholder Notification Letter.pdf   |
| Item Status:                 | Received & Acknowledged   |
| Status Date:                 | 06/08/2016  |
| Satisfied - Item:            | Response to Objections Received on April 19 and 22 2016   |
| Comments:                    |   |
| Attachment(s):               | Response to Objections Received on April 19 & 22 2016.pdf   |
| Item Status:                 | Received & Acknowledged   |
| Status Date:                 | 05/27/2016  |
| Satisfied - Item:            | Response to Objection Received on May 12, 2016  |
| Comments:                    |   |
| Attachment(s):               | Response to Objection Received on May 12 2016.pdf   |
| Item Status:                 | Received & Acknowledged   |
| Status Date:                 | 05/27/2016  |
| Satisfied - Item:            | Response to Objection Received on May 27, 2016  |
| Comments:                    |   |
| Attachment(s):               | Response to Objection Received on May 27 2016.pdf   |
| Item Status:                 | Received & Acknowledged   |
| Status Date:                 | 06/08/2016  |
| Satisfied - Item:            | Current Rate Tables   |
| Comments:                    |   |
| Attachment(s):               | VA GP2 Rates CURRENT.pdf  |
| Item Status:                 | Received & Acknowledged   |
| Status Date:                 | 06/08/2016  |



Allianz Life Insurance Company of North America 5701 Golden Hills Drive Minneapolis, MN 55416-1297

## VIRGINIA CERTIFICATION OF COMPLIANCE

The company has reviewed the enclosed policy form(s) and certifies that, to the best of its knowledge and belief, each form submitted is consistent and complies with the requirements of Title 38.2 of the Code of Virginia and the regulations promulgated pursuant thereto.

| Forms    | Description                                    |
|----------|--|
| S2280-VA | Policyholder Rate Increase Notification Letter |

Date: 4/5/16

Steve Thiel, Vice President Actuary

## Allianz Life Insurance Company of North America

## Home Office: 5701 Golden Hills Drive Minneapolis, MN 55416-1297

## Actuarial Memorandum Supporting 60% Aggregate Premium Rate Increase On Individual Long-Term Care Insurance Policy Forms

#### 1. TYPE OF CHANGE

Allianz Life Insurance Company of North America (Company) proposes the following rate revisions for these riders (collectively referred to as COLA riders) attached to the following policy forms issued in Virginia.

Generation Protector II Policy Form Series: 11-P-Q-VA

11-R3 5% LIFETIME COMPOUND BENEFIT INCREASE RIDER – 80% rate increase

11-R2 4% LIFETIME COMPOUND BENEFIT INCREASE RIDER – 70% rate increase

11-R1 3% LIFETIME COMPOUND BENEFIT INCREASE RIDER - 50% rate increase

11-R4 TWO TIMES COMPOUND BENEFIT INCREASE RIDER - 50% rate increase

11-R5 SIMPLE BENEFIT INCREASE RIDER – 50% rate increase

Base Premium Rates – no rate change

The result of this rate increase on the above COLA riders, if approved, is similar to a 60% aggregate rate increase on the base policy form and associated rider nationally. The revised rates will be guaranteed not to increase for 4 years if the proposed rates are approved.

Our company expects to implement the rate change in 2016 or 2017 if this filing is approved.

#### 2. PURPOSE OF FILING

This actuarial memorandum has been prepared for the purpose of demonstrating that a premium rate increase is justified under rate stabilization regulation based on the Long Term Care Model Regulation. Moderately adverse is defined as a 10% increase in future claim cost over the current best estimate. The lifetime loss ratio projections (Exhibits 4-7) are based on current best estimates and do not include this additional 10% increase.

The "58/85" calculation of Section 20.C.(2) of the Long-Term Care Insurance Model Regulation applied to the historical experience and "moderately adverse" assumption produces a justified premium rate increase of 110% (see Exhibit 8). In consideration of our policyholders while balancing the financial viability of these policies, the Company prefers not to request a premium rate increase of this magnitude and is filing for a 60% aggregate rate increase instead. Regarding the schedule of additional rate increases, the Company does not plan to file for any future rate increases if the proposed rate request is approved and implemented and the underlying assumptions, which reflect moderately adverse conditions, are realized.

#### 3. LIMITATIONS AND EXCLUSIONS

This actuarial memorandum is intended to support a 60% aggregate premium rate increase described above on this plan of insurance and it is not appropriate to use for any other purposes.

#### 4. HISTORY OF RATE REVISION

There has been no previous rate revision in Virginia. A history of rate revisions for all Allianz LTC products is included in the Exhibit 1.

#### 5. SCOPE AND APPLICABILITY

This filing applies to active premium paying policies issued in this state for the policy forms listed above. These policy forms are no longer being marketed. The rate changes will only apply to applicable riders and there are no changes to the base premiums. Exhibit 2 provides a distribution of in-force policies and total annual premiums by issue state.

These rates when approved will be applied to all policies delivered or issued for delivery in the state of Virginia, regardless of place of current residence.

#### 6. DESCRIPTION OF BENEFITS

These plans are Guaranteed Renewable, Tax Qualified and Non-Qualified, Individual Long Term Care Insurance plan. Plans covers facility care and home and community care where applicable. Premiums vary by issue age and are projected to be level for the duration of the policy, unless modified by the riders elected by the policyholder. Rider charges are factor based and are a multiplier of the base premium.

#### Several coverage options are available:

- Various Maximum Benefit Periods
- Various Daily Benefit Amounts
- Various Elimination Periods
- ❖ Facility Care Plan with various Home and Community Care Benefit levels
- ❖ Separate rates for different underwriting classes
- Separate rates for joint and single lives

#### 7. POLICYHOLDER OPTIONS

Assuming that the proposed rate increase becomes effective, policyholders will have the following options upon notification of the rate increase:

### <u>Policyholder Options to Reduce Benefits:</u>

Policyholders with benefits above the minimum coverage level have the option to modify their policy benefits to mitigate the impact of the proposed rate increase. As examples, the options include, but are not limited to the following:

- 1. Lower their lifetime maximum benefit,
- 2. Lower their daily benefit,
- 3. Increase their elimination period.
- 4. Reduce or cancel COLA riders.

To further minimize the impact to policyholders: As a part of this rate increase, policyholders who reduce or cancel their COLA benefit riders will maintain all of their past COLA benefit increase percentages. Future premiums and benefit increases will be based on the new coverage levels elected by the policyholder. If the policyholder reduces their daily benefit, then the past increase in daily benefit from COLA rider will be reduced by the same proportion.

#### Example of a COLA rider reduction:

Policyholder with a 5% compound inflation rider can minimize the size of the rate increase reducing to a 5% simple inflation protection rider. Unless policyholders reduce their daily benefit amounts, their current daily benefits will not change as the past COLA increases will be fully vested, and they will receive a 5% simple inflation protection going forward. Policyholders who elect to reduce or cancel their COLA benefit riders will likely see an overall decrease in their premiums.

| 57 Single Female, \$150 Original Daily Benefit, 100% HCC, <b>5yr</b> BP 5% compound COLA, Preferred UW, 10 <sup>th</sup> Policy Duration |          |  |
|--|----------|--|
| Original Annual Premium (5% Compound COLA)   |          |  |
| Annual Premium (80% rate increase, no COLA change)   |          |  |
| Annual Premium (50% rate increase, change to 5% simple COLA)   |          |  |
| Premium Reduction from COLA change   | -\$1,342 |  |

| 57 Single Female, \$150 Original Daily Benefit, 100% HCC, <b>Lifetime</b> BP |          |  |
|--|----------|--|
| 5% compound COLA, Preferred UW, 10 <sup>th</sup> Policy Duration             |          |  |
| Original Annual Premium (5% Compound COLA) \$3,0                             |          |  |
| Annual Premium (80% rate increase, no COLA change)                           |          |  |
| Annual Premium (50% rate increase, change to 5% simple COLA)                 |          |  |
| Premium Reduction from COLA change   | -\$1,950 |  |

Example of a COLA Cancellation:

| 57 Single Female, \$150 Original Daily Benefit, 100% HCC, <b>5yr</b> BP 5% compound COLA, Preferred UW, 10 <sup>th</sup> Policy Duration |       |  |
|--|-------|--|
| Original Daily Benefit \$150   |       |  |
| Current Daily Benefit = 150 * 1.05^10  |       |  |
| Daily Benefit after canceling COLA rider   |       |  |
| (cancelled within election window)   | \$244 |  |

Example of Daily Benefit Reduction:

| 57 Single Female, \$150 Original Daily Benefit, 100% HCC, <b>5yr</b> BP 5% compound COLA, Preferred UW, 10 <sup>th</sup> Policy Duration |       |  |
|--|-------|--|
| Original Daily Benefit \$1   |       |  |
| Current Daily Benefit = 150 * 1.05^10  |       |  |
| Reduced Daily benefit from 150 to 100 = 100 * 1.05^10  | \$163 |  |

## Actuarial Equivalence of Vested COLA Benefits:

Exhibit 3 illustrates the future loss ratio for sample policyholders who cancel their 5% compound COLA, or reduce to a 5% simple COLA after the proposed rate increase. Assumptions used in this analysis are consistent with those within this rate filing.

#### Non-forfeiture Offers:

In addition, the Company will give the policyholder the option to accept a non-forfeiture benefit if they receive a premium increase at no charge. Acceptance of the non-forfeiture benefit will provide the policyholder with a reduced paid-up policy, with no future premiums required after the effective date of the policyholder's rate increase. Policyholders who elect this option will pay no additional premiums after the effective date of the rate increase, and their benefit pool will be their total premiums paid. In consideration of our policyholders, our company does not subtract past claims from the benefit pool prior to the election of this rider.

#### 8. ISSUE YEAR

These forms were sold from 2006 to 2009 in Virginia, and marketed nationally from 2006 through 2009. These forms are no longer being issued in any state as Allianz stopped issuing all individual standalone long-term care insurance in 2010.

#### 9. UNDERWRITING DESCRIPTION

All policies subject to this rate revision were subject to full underwriting in accordance with Company standards in place at the time of issue. Those underwriting standards were taken into consideration when projecting future experience. The underwriting selection factor wear off will be monitored and may be reflected in future projections.

#### 10. MARKETING METHOD

Sales were conducted by individual agents, who sold primarily on an individual policy basis. The Company no longer sells long-term care insurance policies.

#### 11. AREA FACTORS

The Company did not use area factors within the state.

#### 12. AVERAGE ANNUAL PREMIUM PER INSURED

#### Generation Protector II Policy Forms:

| Virginia Current Average Annual Premium:  | \$2,307 | (742 Policies Inforce)    |
|---|---------|---------------------------|
| National Original Average Annual Premium: | \$2,180 | (15,767 Policies Inforce) |

#### 13. PREMIUM MODALIZATION RULES

The modal premium factors will remain unchanged from the current factors.

#### 14. CLAIM RESERVE

At each valuation date, a claim reserve is computed for each active and pending claim case. For active claims, the claim reserve is calculated as the present value of future benefits from the valuation date to the end of the benefit period. Benefit amounts are discounted for interest and claim continuance. Claim reserve have been discounted and allocated to the appropriate incurred year.

#### 15. BEST ESTIMATE ACTUARIAL ASSUMPTIONS

#### a. Morbidity:

Attained age claim costs and Waiver of Premium benefits used in projecting future experience for this form have been developed utilizing Company-specific policy experience enhanced with other industry data as needed. Claim costs vary by joint policy status (joint vs. single), gender and various level of home health care with adjustments for elimination periods and riders.

Claim costs are developed from first principle using company specific historical claim experience. Allianz incidence rates are typically credible up to age 75. The incidence rates for the older ages (75+) are developed based on actuarial judgment using our own experience along with data provided by our consultant in 2012 and the 2007 SOA LTC Intercompany Study. Allianz continuance rates were blended with industry data that was provided by our consultant in 2012 using limited fluctuation credibility. Generally, Allianz continuance rates are lower than industry experience.

Future claim costs are projected on a seriatim basis for each policyholder. These claim costs are adjusted according to each policy's benefit designs, such as COLA option, elimination periods and benefit periods. There is no morbidity load for anti-selection since this will be the first rate increase for these policies.

Underwriting, claim management and product design were taken into consideration when setting the assumptions. Allianz historical experience includes the positive impact of underwriting selection and these underwriting factors are expected to wear off in the future. No scalar increases to the claim cost assumption are made within these projections to reflect the wear off from underwriting selection.

## b. Mortality:

The projected future experience uses 80% of the gender-distinct 1994 GAM table that was derived by projected from 1994 to 2014 with a 1% improvement. This assumption is developed based on feedback from our consultants and is consistent with industry practice. The mortality assumption balances our morbidity assumption as neither is projected to have future improvements.

#### c. Persistency:

The Company's own experience was used for this study. The experience is determined to be credible and the voluntary lapses by duration are as follows:

- 1 7.00 %
- 2 3.40 %
- 3 2.20 %
- 4 1.50 %
- 5 1.00 %
- 6 0.90 %
- 7 0.75 % (for all durations 7 and above)

Additional lapses caused by exhaustion of benefits are also modeled using claim incidence and continuance rates. The total terminations not caused by deaths are estimated to be around 1.75% annually, all policyholders are on duration 7+.

Based on company experience, a 2% increase to lapse rate is assumed immediately after the implementation of the rate increase to account for the election of reduced paid up benefit.

#### d. Expected Benefit Reduction:

Based on company's experience in the previous rate increase, the cash flow projection for proposed rate increase includes a 3% cancellation in COLA benefits, 2% decrease in daily benefit, and 4% of policies with a reduction in benefit period. Past COLA benefit increases are modeled as 100% vested in the loss ratio projection.

#### e. Interest and Investment Income:

Interest rate of 4.0% used in the original product filing is also used in these exhibits to calculate the loss ratio. Changes in interest rates and investment income are not used to justify the rate increase.

#### f. Expenses:

Changes in expense are not used to justify the rate increase and are not included in this analysis. It is assumed that original expense assumptions are still appropriate

### g. Moderately Adverse Assumption:

Moderately adverse condition is defined as a 10% increase in future claim cost over the current best estimate. The loss ratio projections within Exhibit 3-7 are based on the best estimate assumptions and original pricing discount rates as specified above.

## 16. DEMONSTRATION OF SATISFACTION OF REQUIREMENTS

The projections included in this filing are produced by applying "best estimate" actuarial assumptions that reasonably reflect actual experience. The anticipated lifetime loss ratio for policies based on these assumptions is currently 101.3% and 121.0% for National and Virginia without the rate increase (Exhibit 4 & 5), 78.9% and 89.0% after the proposed rate increase (Exhibits 6 & 7). Loss ratios for Virginia policyholders are slightly higher than national policies mainly due to the difference in distribution of business mix.

A detailed demonstration of the 58/85 calculations justifying the rate increase can be found in Exhibits 8. The justifiable rate increases under moderately adverse conditions are 110% on a national basis. Moderately adverse conditions for the 58/85 calculation are defined as a 10% increase in future claim cost over the current best estimate.

Actual to expected loss ratio is close to 100% (Exhibit 4).

#### 17. ANALYSIS PERFORMED TO CONSIDER A RATE INCREASE

The initial premium schedules were based on pricing assumptions that reflected the Company's best estimate utilizing the available information at the time. Actual experience for these policies has deviated from those original assumptions. A rate increase is necessary to help these products achieve the Company's revised loss ratio target of 75%. The original pricing assumptions compared to our current assumptions are included in the Exhibit 9.

#### **18. LOSS RATIOS**

The analysis below breaks down the lifetime loss ratio by each assumption update to the original pricing assumption. The historical premium and claims are based on actual experience, while future rate increases are reflective of the premium revision proposed in this filing. For actuarial modeling purposes the rate increase is assumed to be effective July, 2016.

|   | <b>National Experience Without Rate Increase</b>                  |             |                         |                         |
|---|---|-------------|-------------------------|-------------------------|
|   | <u>Earned</u> <u>Incurred</u> <u>Loss</u><br>Premium Claims ratio |             | Marginal Increase to LR |                         |
| Original Loss Ratio   |   |             | 66.0%                   |                         |
| Updated Morbidity   | 633,545,084   | 547,858,356 | 86.5%                   | 31.0%                   |
| Updated Mortality & Morbidity                                     | 652,696,177   | 666,942,853 | 102.2%                  | 23.8%                   |
| Updated <b>Lapse</b> & Mortality & Morbidity                      | 660,495,407   | 669,377,487 | 101.3%                  | -1.3%                   |
| <b>Best Estimate Assumption:</b>                                  | 660,495,407   | 669,377,487 | 101.3%                  | 53.6%                   |
| Updated <b>Interest</b> & Lapse & Mortality & Morbidity           | 660,495,407   | 669,377,487 | 101.3%                  | 0.0%                    |
| Updated <b>Expense</b> & Interest & Lapse & Mortality & Morbidity | 660,495,407   | 669,377,487 | 101.3%                  | 0.0%                    |
|   | National Experience After 60% Rate Increase                       |             |                         |                         |
|   | <u>Earned</u>   | Incurred    | Loss                    | Marginal Increase to LR |

|                                  | <u>Premium</u> | <u>Claims</u> | <u>ratio</u>  |       |
|----------------------------------|----------------|---------------|---------------|-------|
| <b>Best Estimate Assumption:</b> | 802,087,105    | 632,903,638   | <b>78.9</b> % | 19.5% |

Based on historical experience combined with projected future experience.

Premiums and Claims cash flows are discounted at original pricing interest rate (4.0%).

Loss Ratio by COLA riders prior to the rate increase:

|                              | 5%       | 4%       | Other | No    | Grand  |
|------------------------------|----------|----------|-------|-------|--------|
| National                     | Compound | Compound | COLA  | COLA* | Total  |
| Proposed Rate Increase       | 80.0%    | 70.0%    | 50.0% | 0.0%  | 60.0%  |
| Lifetime LR No Rate Increase | 130.7%   | 102.1%   | 83.4% | 50.1% | 101.3% |
| Lifetime LR After Increase   | 93.2%    | 75.4%    | 66.8% | 53.1% | 78.9%  |

<sup>\*</sup>The lifetime loss ratio of No COLA increases after the rate increase due to the policyholders who cancel their COLA riders and vest their past COLA daily benefit increase. This increase also demonstrates that the actuarial equivalent of vesting COLA is larger than policyholders who have not elected COLA.

#### 19. DISTRIBUTION OF BUSINESS

The historical experience reflects the actual distribution of policies during the experience period. We used the current distribution of business as of Dec 31, 2014 to project future experience.

|                |                        | National               |               |            |                |
|----------------|------------------------|------------------------|---------------|------------|----------------|
| Benefit period | 5%<br>Compound<br>COLA | 4%<br>Compound<br>COLA | Other<br>COLA | No<br>COLA | Grand<br>Total |
| 2-Year         | 0.7%                   | 0.1%                   | 0.9%          | 0.8%       | 2.4%           |
| 3-Year         | 9.2%                   | 1.4%                   | 9.3%          | 4.8%       | 24.7%          |
| 4-Year         | 6.0%                   | 0.8%                   | 4.2%          | 1.7%       | 12.8%          |
| 5-Year         | 15.8%                  | 1.8%                   | 10.5%         | 4.8%       | 32.9%          |
| 8-Year         | 7.0%                   | 0.7%                   | 3.3%          | 1.8%       | 12.8%          |
| Lifetime       | 6.9%                   | 0.7%                   | 4.0%          | 2.8%       | 14.4%          |
| Grand Total    | 45.6%                  | 5.5%                   | 32.3%         | 16.7%      | 100.0%         |

|                               | Virginia       |                |               |            |                |
|-------------------------------|----------------|----------------|---------------|------------|----------------|
| Benefit period                | 5%<br>Compound | 4%<br>Compound | Other<br>COLA | No<br>COLA | Grand<br>Total |
| 2-Year                        | 1.6%           | 0.0%           | 0.1%          | 0.0%       | 1.8%           |
| 3-Year                        | 10.6%          | 1.2%           | 3.9%          | 2.0%       | 17.8%          |
| 4-Year                        | 3.8%           | 0.4%           | 4.2%          | 0.4%       | 8.8%           |
| 5-Year                        | 27.4%          | 2.6%           | 5.7%          | 1.5%       | 37.1%          |
| 8-Year                        | 7.4%           | 0.7%           | 3.2%          | 1.6%       | 12.9%          |
| Lifetime                      | 10.9%          | 1.8%           | 7.3%          | 1.8%       | 21.7%          |
| Grand Total                   | 61.7%          | 6.6%           | 24.4%         | 7.3%       | 100.0%         |
| <b>Proposed Rate Increase</b> | 80%            | 70%            | 50%           | 0%         | 60%            |
| Policyholder Impacted         | 458            | 49             | 181           | 54         | 742            |

#### 20. ACTUARIAL CERTIFICATION

I am a Fellow of the Society of Actuaries and a Member of the American Academy of Actuaries, and I meet the Academy's qualifications standards for preparing health rate filings.

Claims, reserves, and policyholder data are provided by our third party administrator and our valuation actuaries. Data was reviewed for reasonableness.

I hereby certify that, to the best of my knowledge and belief:

- a. This filing complies with Actuarial Standards of Practice No. 8 "Regulatory Filings for Rates and Financial Projections for Health Plans";
- b. The rates are not unfairly discriminatory and the gross premiums are not excessive. The gross premiums are not reasonable in relation to the benefits.
- c. Moderately adverse condition is defined as a 10% increase in future claim cost over the current best estimate provided in the loss ratio Exhibits 4-7.
- d. I certify that no further rate schedule increases are anticipated if the requested premium rate schedule increase is implemented and the underlying assumptions, which reflect moderately adverse conditions, are realized.
- e. This filing is in compliance with the provisions of 14VAC5-200-153.

Ouling Lu, FSA, MAAA Assistant Actuary Allianz Life Insurance of North America

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May 31, 2016

#### Exhibit 1 National Rate Increases Allianz Life Insurance of North America

| 2009 Rate Increase                        |              |              |  |  |
|---|--------------|--------------|--|--|
| State                                     | Min Increase | Max Increase |  |  |
| AK  | 0%           | 25%          |  |  |
| AL  | 15%          | 25%          |  |  |
| AR  | 18%          | 25%          |  |  |
|   |              |              |  |  |
| CO, NH, WA, WY                            | 20%          | 25%          |  |  |
| IA  | 15%          | 25%          |  |  |
| ME, NC                                    | 22%          | 25%          |  |  |
| MS, MT, SD, TN, WV,                       |              |              |  |  |
| IN, HI, NE                                | 23%          | 25%          |  |  |
| NJ  | 8%           | 25%          |  |  |
| NV  | 10%          | 25%          |  |  |
| PA  | 21%          | 25%          |  |  |
| TX  | 16%          | 25%          |  |  |
| VA  | 8%           | 25%          |  |  |
| WI  | 18%          | 25%          |  |  |
| ID, IL KY, MI MO, NM                      | 25%          | 25%          |  |  |
| DE  | 11%          | 20%          |  |  |
| LA  | 16%          | 20%          |  |  |
| OH  | 20%          | 20%          |  |  |
| SC  | 16%          | 20%          |  |  |
| AZ, KS                                    | 15%          | 15%          |  |  |
| MD  | 6%           | 15%          |  |  |
| ND  | 12%          | 15%          |  |  |
| GA, OK                                    | 10%          | 10%          |  |  |
| OR  | 7%           | 10%          |  |  |
| CA, CT, DC, FL, MA,<br>MN, RI, UT, VT, NY | 0%           | 0%           |  |  |

| 2012 Rate Increase                         |                |                |  |  |
|--|----------------|----------------|--|--|
| State                                      | Min Increase   | Max Increase   |  |  |
| IL   | 25%            | 100%           |  |  |
| AZ   | 25%            | 75%            |  |  |
| TX   | 17%            | 75%            |  |  |
| AK, CO, MI, MS, MO,<br>NH, NC, OK, OR, SD, |                |                |  |  |
| TN, WA, WV, WY                             | 25%            | 25%            |  |  |
| AL   | 20%            | 25%            |  |  |
| HI   | 3%*            | 25%            |  |  |
| KY   | 3%*            | 25%            |  |  |
| ME   | 24%            | 25%            |  |  |
| MT, WI                                     | 10%            | 25%            |  |  |
| NJ   | 15%            | 25%            |  |  |
| OH   | 20%            | 25%            |  |  |
| NE   | 10%            | 20%            |  |  |
| PA, SC                                     | 20%            | 20%            |  |  |
| DE, GA, MD, ND                             | 15%            | 15%            |  |  |
| IA   | 8%             | 15%            |  |  |
| VA   | 14%            | 100% Pending   |  |  |
| ID, KS, NY                                 | 10%            | 10%            |  |  |
| FL   | 7%             | 7%             |  |  |
| CT, NM                                     | 0%             | 0%             |  |  |
| CA   | Filed, Pending | Filed, Pending |  |  |
| MN   | Filed, Pending | Filed, Pending |  |  |
| DC, IN, LA, MA, NV,<br>RI, UT, AR, VT      |                | Filed, Pending |  |  |

### Exhibit 2 National Policy From Series: 11-P-Q As of 12/31/2014 Count of Inforce Lives Insured

| State       | Lives |           | Premium  |                     |
|-------------|-------|-----------|----------|---------------------|
| AK          |       | 38        | \$       | 98,581              |
| AL          |       | 404       | \$       | 747,812             |
| AR          |       | 128       | \$       | 252,529             |
| AZ          |       | 417       | \$       | 884,802             |
| CO          |       | 609       | \$       | 1,397,854           |
| CT          |       | 141       | \$       | 444,009             |
| DC          |       | 29        | \$       | 73,097              |
| DE          |       | 36        | \$       | 91,142              |
| FL          |       | 583       | \$       | 1,470,734           |
| GA          |       | 687       | \$       | 1,443,410           |
| HI          |       | 26        | \$       | 62,862              |
| IA          |       | 452       | \$       | 939,335             |
| ID          |       | 143       | \$       | 280,199             |
| IL          |       | 848       | \$       | 1,933,974           |
| IN          |       | 49        | \$       | 108,726             |
| KS          |       | 413       | \$       | 788,669             |
| KY          |       | 184       | \$       | 381,622             |
| LA          |       | 211       | \$       | 382,662             |
| MA          |       | 50        | \$       | 174,597             |
| MD          |       | 351       | \$       | 816,554             |
| ME          |       | 78        | \$       | 266,783             |
| MI          |       | 467       | \$       | 1,030,156           |
| MN          |       | 1,689     | \$       | 3,547,592           |
| MO          |       | 721       | \$       | 1,378,810           |
| MS          |       | 114       | \$       | 194,282             |
| MT          |       | 134       | \$       | 293,920             |
| NC          |       | 399       | \$       |                     |
| ND          |       | 141       | \$<br>\$ | 843,438<br>280,405  |
| NE<br>NE    |       | 431       | \$       | 978,211             |
| NH          |       | 88        | \$       | 275,838             |
| NJ          |       | 334       | \$       | 890,139             |
| NM          |       | 129       | \$       | 267,271             |
| NV          |       | 100       | \$       | 213,178             |
| OH          |       | 486       | \$       | 1,035,315           |
| OK<br>OK    |       | 261       | \$<br>\$ | 529,765             |
| OR          |       | 304       | \$       | 586,066             |
| PA          |       | 608       | \$       | 1,479,816           |
| RI          |       | 79        | \$<br>\$ | 172,757             |
| SC          |       | 249       | \$<br>\$ |                     |
| SD          |       | 200       | \$<br>\$ | 482,932<br>409,073  |
| TN          |       | 406       | \$<br>\$ | 787,295             |
| TX          |       | 970       | \$       | 1,914,224           |
| UT          |       |           | \$<br>\$ |                     |
| VA          |       | 55<br>742 | \$<br>\$ | 101,613             |
| VA<br>VT    |       | 742       |          | 1,712,139<br>75,004 |
|             |       | 32        | \$<br>\$ | 75,004<br>682,098   |
| WA<br>WI    |       | 282       | \$       |                     |
| WI<br>WV    |       | 365       | \$<br>\$ | 920,464<br>57,534   |
|             |       | 28        | \$       | 57,534<br>187,286   |
| WY          |       | 76        | \$       | 187,286             |
| Grand Total |       | 15,767    | \$       | 34,366,573          |

Issue Age 57, 5 Year Benefit Period, 150 Initial Daily Benefit 5% Compound Switch to 5% Simple COLA Past COLA Increases 100% Vested Rate Increase Reduced From 80% to 50% 10<sup>th</sup> Policy Duration

|          | ſ    |               |             |                            |               |                    |                       |
|----------|------|---------------|-------------|----------------------------|---------------|--------------------|-----------------------|
| Attained |      |               |             | <b>Expected Claim Cost</b> |               |                    | <b>Expected Claim</b> |
| Age      | Year | Daily Benefit | Earned Prem | (5% Compound)              | Daily Benefit | <b>Earned Prem</b> | Cost (5% Simple)      |
| 67       | 2015 | 244.33        | 3,818.88    | 359.58                     | 244.33        | 2,476.80           | 342.06                |
| 68       | 2016 | 256.55        | 3,719.74    | 427.48                     | 251.83        | 2,412.50           | 399.17                |
| 69       | 2017 | 269.38        | 3,620.25    | 518.10                     | 259.33        | 2,347.98           | 474.48                |
| 70       | 2018 | 282.85        | 3,520.73    | 621.59                     | 266.83        | 2,283.43           | 557.83                |
| 71       | 2019 | 296.99        | 3,421.13    | 865.47                     | 274.33        | 2,218.83           | 760.49                |
| 72       | 2020 | 311.84        | 3,321.05    | 1,108.63                   | 281.83        | 2,153.92           | 953.13                |
| 73       | 2021 | 327.43        | 3,219.84    | 1,303.86                   | 289.33        | 2,088.28           | 1,096.01              |
| 74       | 2022 | 343.80        | 3,117.07    | 1,643.62                   | 296.83        | 2,021.63           | 1,349.92              |
| 75       | 2023 | 360.99        | 3,012.59    | 1,814.61                   | 304.33        | 1,953.87           | 1,455.26              |
| 76       | 2024 | 379.04        | 2,906.15    | 2,048.93                   | 311.83        | 1,884.83           | 1,603.49              |
| 77       | 2025 | 397.99        | 2,797.44    | 2,287.90                   | 319.33        | 1,814.33           | 1,746.26              |
| 78       | 2026 | 417.89        | 2,686.12    | 2,702.92                   | 326.83        | 1,742.13           | 2,010.93              |
| 79       | 2027 | 438.79        | 2,572.13    | 3,455.11                   | 334.33        | 1,668.20           | 2,504.32              |
| 80       | 2028 | 460.73        | 2,455.62    | 4,148.74                   | 341.83        | 1,592.64           | 2,928.13              |
| 81       | 2029 | 483.76        | 2,336.61    | 5,100.62                   | 349.33        | 1,515.45           | 3,503.75              |
| 82       | 2030 | 507.95        | 2,215.00    | 6,240.17                   | 356.83        | 1,436.58           | 4,170.06              |
| 83       | 2031 | 533.35        | 2,090.66    | 7,015.19                   | 364.33        | 1,355.93           | 4,558.58              |
| 84       | 2032 | 560.02        | 1,963.93    | 7,408.19                   | 371.83        | 1,273.74           | 4,679.10              |
| 85       | 2033 | 588.02        | 1,835.43    | 8,417.90                   | 379.33        | 1,190.40           | 5,110.11              |
| 86       | 2034 | 617.42        | 1,705.59    | 9,503.66                   | 386.83        | 1,106.19           | 5,542.73              |
| 87       | 2035 | 648.29        | 1,574.73    | 10,650.21                  | 394.33        | 1,021.32           | 5,965.33              |
| 88       | 2036 | 680.71        | 1,443.18    | 11,451.40                  | 401.83        | 936.00             | 6,352.76              |
| 89       | 2037 | 714.74        | 1,311.50    | 12,198.12                  | 409.33        | 850.59             | 6,583.46              |
| 90       | 2038 | 750.48        | 1,180.73    | 12,861.14                  | 416.83        | 765.78             | 6,631.27              |
| 91       | 2039 | 788.00        | 1,052.16    | 13,410.85                  | 424.33        | 682.40             | 6,544.23              |
| 92       | 2040 | 827.40        | 927.27      | 13,819.15                  | 431.83        | 601.40             | 6,322.18              |
| 93       | 2041 | 868.77        | 807.57      | 14,060.51                  | 439.33        | 523.76             | 5,973.59              |
| 94       | 2042 | 912.21        | 694.46      | 14,113.26                  | 446.83        | 450.40             | 5,514.99              |
| 95       | 2043 | 957.82        | 589.14      | 13,962.30                  | 454.33        | 382.10             | 4,970.01              |

| \$43,932.50 | \$81,118.72 |
|-------------|-------------|
| Future LR   | 184.6%      |

| \$28,493.17 | \$47,058.39 |
|-------------|-------------|
| Future LR   | 165.2%      |

Issue Age 65, 5 Year Benefit Period, 150 Initial Daily Benefit 5% Compound Switch to 5% Simple COLA
Past COLA Increases 100% Vested
Rate Increase Reduced From 80% to 50%
10<sup>th</sup> Policy Duration

| Attained |    |      |                      |                    | Expected Claim Cost |
|----------|----|------|----------------------|--------------------|---------------------|
| Age      |    | Year | <b>Daily Benefit</b> | <b>Earned Prem</b> | (5% Compound)       |
|          | 75 | 2015 | 244.33               | 6,076.08           | 1,556.92            |
|          | 76 | 2016 | 256.55               | 5,861.40           | 1,757.96            |
|          | 77 | 2017 | 269.38               | 5,642.16           | 1,962.99            |
|          | 78 | 2018 | 282.85               | 5,417.62           | 2,319.08            |
|          | 79 | 2019 | 296.99               | 5,187.71           | 2,964.45            |
|          | 80 | 2020 | 311.84               | 4,952.74           | 3,559.58            |
|          | 81 | 2021 | 327.43               | 4,712.70           | 4,376.28            |
|          | 82 | 2022 | 343.80               | 4,467.42           | 5,354.00            |
|          | 83 | 2023 | 360.99               | 4,216.65           | 6,018.96            |
|          | 84 | 2024 | 379.04               | 3,961.05           | 6,356.15            |
|          | 85 | 2025 | 397.99               | 3,701.88           | 7,222.46            |
|          | 86 | 2026 | 417.89               | 3,440.00           | 8,154.03            |
|          | 87 | 2027 | 438.79               | 3,176.07           | 9,137.77            |
|          | 88 | 2028 | 460.73               | 2,910.74           | 9,825.18            |
|          | 89 | 2029 | 483.76               | 2,645.15           | 10,465.85           |
|          | 90 | 2030 | 507.95               | 2,381.40           | 11,034.71           |
|          | 91 | 2031 | 533.35               | 2,122.11           | 11,506.36           |
|          | 92 | 2032 | 560.02               | 1,870.21           | 11,856.68           |
|          | 93 | 2033 | 588.02               | 1,628.79           | 12,063.76           |
|          | 94 | 2034 | 617.42               | 1,400.66           | 12,109.02           |
|          | 95 | 2035 | 648.29               | 1,188.24           | 11,979.50           |

|               |             | E                   |
|---------------|-------------|---------------------|
| D 11 D 614    | E 15        | Expected Claim Cost |
| Daily Benefit | Earned Prem | (5% Simple)         |
| 244.33        | 4,254.30    | 1,481.05            |
| 251.83        | 4,103.99    | 1,641.55            |
| 259.33        | 3,950.48    | 1,797.71            |
| 266.83        | 3,793.27    | 2,081.17            |
| 274.33        | 3,632.29    | 2,604.87            |
| 281.83        | 3,467.77    | 3,060.30            |
| 289.33        | 3,299.70    | 3,678.64            |
| 296.83        | 3,127.96    | 4,397.30            |
| 304.33        | 2,952.38    | 4,827.00            |
| 311.83        | 2,773.41    | 4,974.31            |
| 319.33        | 2,591.95    | 5,453.18            |
| 326.83        | 2,408.59    | 5,936.39            |
| 334.33        | 2,223.80    | 6,411.31            |
| 341.83        | 2,038.02    | 6,850.58            |
| 349.33        | 1,852.06    | 7,122.18            |
| 356.83        | 1,667.39    | 7,196.07            |
| 364.33        | 1,485.84    | 7,122.73            |
| 371.83        | 1,309.47    | 6,900.73            |
| 379.33        | 1,140.43    | 6,538.21            |
| 386.83        | 980.70      | 6,052.29            |
| 394.33        | 831.97      | 5,468,17            |

| \$56,398.89 | \$88,778.45 |
|-------------|-------------|
| Future LR   | 157.4%      |

| \$39,488.91 | \$61,820.44 |
|-------------|-------------|
| Future LR   | 156.6%      |

Issue Age 57, Lifetime Benefit Period, 150 Initial Daily Benefit 5% Compound Switch to 5% Simple COLA
Past COLA Increases 100% Vested
Rate Increase Reduced From 80% to 50%
10<sup>th</sup> Policy Duration

| Attaine d |      |               |                    | <b>Expected Claim Cost</b> |
|-----------|------|---------------|--------------------|----------------------------|
| Age       | Year | Daily Benefit | <b>Earned Prem</b> | (5% Compound)              |
| 67        | 2015 | 244.33        | 5,549.31           | 721.58                     |
| 68        | 2016 | 256.55        | 5,380.20           | 853.28                     |
| 69        | 2017 | 269.38        | 5,208.47           | 1,027.76                   |
| 70        | 2018 | 282.85        | 5,033.89           | 1,224.12                   |
| 71        | 2019 | 296.99        | 4,856.04           | 1,690.08                   |
| 72        | 2020 | 311.84        | 4,674.39           | 2,144.11                   |
| 73        | 2021 | 327.43        | 4,488.37           | 2,494.28                   |
| 74        | 2022 | 343.80        | 4,297.90           | 3,105.94                   |
| 75        | 2023 | 360.99        | 4,103.23           | 3,382.38                   |
| 76        | 2024 | 379.04        | 3,904.36           | 3,761.05                   |
| 77        | 2025 | 397.99        | 3,701.16           | 4,128.24                   |
| 78        | 2026 | 417.89        | 3,493.39           | 4,784.50                   |
| 79        | 2027 | 438.79        | 3,281.63           | 5,986.98                   |
| 80        | 2028 | 460.73        | 3,066.92           | 7,020.60                   |
| 81        | 2029 | 483.76        | 2,849.96           | 8,406.70                   |
| 82        | 2030 | 507.95        | 2,631.30           | 9,986.23                   |
| 83        | 2031 | 533.35        | 2,411.48           | 10,860.51                  |
| 84        | 2032 | 560.02        | 2,191.45           | 11,048.23                  |
| 85        | 2033 | 588.02        | 1,972.94           | 11,908.98                  |
| 86        | 2034 | 617.42        | 1,758.11           | 12,695.42                  |
| 87        | 2035 | 648.29        | 1,549.43           | 13,374.19                  |
| 88        | 2036 | 680.71        | 1,349.41           | 13,887.43                  |
| 89        | 2037 | 714.74        | 1,160.41           | 13,978.60                  |
| 90        | 2038 | 750.48        | 984.43             | 13,622.39                  |
| 91        | 2039 | 788.00        | 823.12             | 13,866.27                  |
| 92        | 2040 | 827.40        | 725.42             | 13,821.29                  |
| 93        | 2041 | 868.77        | 631.77             | 13,478.10                  |
| 94        | 2042 | 912.21        | 543.29             | 12,846.23                  |
| 95        | 2043 | 957.82        | 460.89             | 11,954.96                  |

|               |             | Expected Claim   |
|---------------|-------------|------------------|
| Daily Benefit | Earned Prem | Cost (5% Simple) |
| 244.33        | 3,599.10    | 718.50           |
| 251.83        | 3,489.42    | 834.01           |
| 259.33        | 3,378.05    | 985.22           |
| 266.83        | 3,264.82    | 1,149.89         |
| 274.33        | 3,149.47    | 1,554.49         |
| 281.83        | 3,031.66    | 1,929.53         |
| 289.33        | 2,911.01    | 2,194.65         |
| 296.83        | 2,787.48    | 2,670.17         |
| 304.33        | 2,661.22    | 2,839.33         |
| 311.83        | 2,532.24    | 3,080.96         |
| 319.33        | 2,400.45    | 3,298.19         |
| 326.83        | 2,265.70    | 3,725.97         |
| 334.33        | 2,128.36    | 4,542.29         |
| 341.83        | 1,989.10    | 5,186.64         |
| 349.33        | 1,848.39    | 6,044.69         |
| 356.83        | 1,706.57    | 6,985.31         |
| 364.33        | 1,564.00    | 7,387.18         |
| 371.83        | 1,421.30    | 7,304.35         |
| 379.33        | 1,279.58    | 7,649.74         |
| 386.83        | 1,140.26    | 7,920.14         |
| 394.33        | 1,004.91    | 8,100.35         |
| 401.83        | 875.18      | 8,163.02         |
| 409.33        | 752.60      | 7,971.40         |
| 416.83        | 638.47      | 7,533.91         |
| 424.33        | 533.85      | 7,435.02         |
| 431.83        | 470.48      | 7,182.75         |
| 439.33        | 409.75      | 6,786.71         |
| 446.83        | 352.36      | 6,265.69         |
| 454.33        | 298.92      | 5,646.52         |

| \$57,597.46 | \$107,097.06 |
|-------------|--------------|
| Future LR   | 185.9%       |

| \$37,355.82 | \$70,546.71 |
|-------------|-------------|
| Future LR   | 188.9%      |

Issue Age 65, Lifetime Benefit Period, 150 Initial Daily Benefit 5% Compound Switch to 5% Simple COLA
Past COLA Increases 100% Vested
Rate Increase Reduced From 80% to 50%
10<sup>th</sup> Policy Duration

| Attained |      |               |                    | <b>Expected Claim Cost</b> |
|----------|------|---------------|--------------------|----------------------------|
| Age      | Year | Daily Benefit | <b>Earned Prem</b> | (5% Compound)              |
| 75       | 2015 | 244.33        | 8,956.98           | 3,138.88                   |
| 76       | 2016 | 256.55        | 8,640.52           | 3,544.19                   |
| 77       | 2017 | 269.38        | 8,317.32           | 3,957.56                   |
| 78       | 2018 | 282.85        | 7,986.32           | 4,675.45                   |
| 79       | 2019 | 296.99        | 7,647.40           | 5,976.57                   |
| 80       | 2020 | 311.84        | 7,301.02           | 7,176.41                   |
| 81       | 2021 | 327.43        | 6,947.17           | 8,822.94                   |
| 82       | 2022 | 343.80        | 6,585.60           | 10,794.11                  |
| 83       | 2023 | 360.99        | 6,215.92           | 12,134.73                  |
| 84       | 2024 | 379.04        | 5,839.13           | 12,814.53                  |
| 85       | 2025 | 397.99        | 5,457.08           | 14,404.12                  |
| 86       | 2026 | 417.89        | 5,071.03           | 16,086.69                  |
| 87       | 2027 | 438.79        | 4,681.97           | 17,833.10                  |
| 88       | 2028 | 460.73        | 4,290.83           | 19,568.70                  |
| 89       | 2029 | 483.76        | 3,899.32           | 20,903.15                  |
| 90       | 2030 | 507.95        | 3,510.52           | 21,709.92                  |
| 91       | 2031 | 533.35        | 3,128.28           | 22,098.60                  |
| 92       | 2032 | 560.02        | 2,756.95           | 22,026.90                  |
| 93       | 2033 | 588.02        | 2,401.06           | 21,479.97                  |
| 94       | 2034 | 617.42        | 2,064.76           | 20,472.97                  |
| 95       | 2035 | 648.29        | 1,751.64           | 19,052.55                  |

|               |             | <b>Expected Claim</b> |
|---------------|-------------|-----------------------|
|               |             | Cost (5%              |
| Daily Benefit | Earned Prem | Simple)               |
| 244.33        | 6,271.43    | 3,125.48              |
| 251.83        | 6,049.85    | 3,464.18              |
| 259.33        | 5,823.55    | 3,793.73              |
| 266.83        | 5,591.80    | 4,391.92              |
| 274.33        | 5,354.50    | 5,497.09              |
| 281.83        | 5,111.97    | 6,458.20              |
| 289.33        | 4,864.21    | 7,763.09              |
| 296.83        | 4,611.05    | 9,279.69              |
| 304.33        | 4,352.21    | 10,186.47             |
| 311.83        | 4,088.39    | 10,497.36             |
| 319.33        | 3,820.89    | 11,507.92             |
| 326.83        | 3,550.59    | 12,527.64             |
| 334.33        | 3,278.18    | 13,529.87             |
| 341.83        | 3,004.32    | 14,456.87             |
| 349.33        | 2,730.19    | 15,030.04             |
| 356.83        | 2,457.96    | 15,185.97             |
| 364.33        | 2,190.33    | 15,031.19             |
| 371.83        | 1,930.34    | 14,562.71             |
| 379.33        | 1,681.15    | 13,797.67             |
| 386.83        | 1,445.69    | 12,772.22             |
| 394.33        | 1,226.45    | 11,539.56             |

| \$83,139.74 | \$170,898.82 |
|-------------|--------------|
| Future LR   | 205.6%       |

| \$58,212.10 | \$130,460.51 |
|-------------|--------------|
| Future LR   | 224.1%       |

Issue Age 57, 5 Year Benefit Period, 150 Initial Daily Benefit 5% Compound Switch to No COLA
Past COLA Increases 100% Vested
Rate Increase Reduced From 80% to 0%
10<sup>th</sup> Policy Duration

|              |      | Daily   | Farmed   | Expected Claim Cost |
|--------------|------|---------|----------|---------------------|
| Attained Age | Vaar | Benefit | Prem     | (5% Compound)       |
| Attained Age |      |         |          | _                   |
| 67           | 2015 | 244.33  | 3,818.88 | 359.58              |
| 68           | 2016 | 256.55  | 3,719.74 | 427.48              |
|              | 2017 | 269.38  | 3,620.25 | 518.10              |
|              | 2018 | 282.85  | 3,520.73 | 621.59              |
| 71           | 2019 | 296.99  | 3,421.13 | 865.47              |
|              | 2020 | 311.84  | 3,321.05 | 1,108.63            |
|              | 2021 | 327.43  | 3,219.84 | 1,303.86            |
|              | 2022 | 343.80  | 3,117.07 | 1,643.62            |
| 75           | 2023 | 360.99  | 3,012.59 | 1,814.61            |
|              | 2024 | 379.04  | 2,906.15 | 2,048.93            |
| 77           | 2025 | 397.99  | 2,797.44 | 2,287.90            |
| 78           | 2026 | 417.89  | 2,686.12 | 2,702.92            |
| 79           | 2027 | 438.79  | 2,572.13 | 3,455.11            |
| 80           | 2028 | 460.73  | 2,455.62 | 4,148.74            |
| 81           | 2029 | 483.76  | 2,336.61 | 5,100.62            |
| 82           | 2030 | 507.95  | 2,215.00 | 6,240.17            |
| 83           | 2031 | 533.35  | 2,090.66 | 7,015.19            |
| 84           | 2032 | 560.02  | 1,963.93 | 7,408.19            |
| 85           | 2033 | 588.02  | 1,835.43 | 8,417.90            |
| 86           | 2034 | 617.42  | 1,705.59 | 9,503.66            |
| 87           | 2035 | 648.29  | 1,574.73 | 10,650.21           |
| 88           | 2036 | 680.71  | 1,443.18 | 11,451.40           |
| 89           | 2037 | 714.74  | 1,311.50 | 12,198.12           |
| 90           | 2038 | 750.48  | 1,180.73 | 12,861.14           |
| 91           | 2039 | 788.00  | 1,052.16 | 13,410.85           |
| 92           | 2040 | 827.40  | 927.27   | 13,819.15           |
| 93           | 2041 | 868.77  | 807.57   | 14,060.51           |
| 94           | 2042 | 912.21  | 694.46   | 14,113.26           |
| 95           | 2043 | 957.82  | 589.14   | 13,962.30           |

| D-9-    |             | E              |
|---------|-------------|----------------|
| Daily   | E 15        | Expected Claim |
| Benefit | Earned Prem | Cost (No COLA) |
| 244.33  | 960.00      | 321.86         |
| 244.33  | 935.08      | 364.41         |
| 244.33  | 910.07      | 420.64         |
| 244.33  | 885.05      | 480.63         |
| 244.33  | 860.01      | 637.33         |
| 244.33  | 834.85      | 777.52         |
| 244.33  | 809.41      | 870.89         |
| 244.33  | 783.58      | 1,045.55       |
| 244.33  | 757.31      | 1,099.36       |
| 244.33  | 730.56      | 1,182.21       |
| 244.33  | 703.23      | 1,257.23       |
| 244.33  | 675.24      | 1,414.56       |
| 244.33  | 646.59      | 1,722.11       |
| 244.33  | 617.30      | 1,969.36       |
| 244.33  | 587.38      | 2,305.91       |
| 244.33  | 556.81      | 2,686.75       |
| 244.33  | 525.56      | 2,876.61       |
| 244.33  | 493.70      | 2,893.11       |
| 244.33  | 461.40      | 3,097.13       |
| 244.33  | 428.76      | 3,294.20       |
| 244.33  | 395.86      | 3,477.93       |
| 244.33  | 362.79      | 3,634.68       |
| 244.33  | 329.69      | 3,697.66       |
| 244.33  | 296.81      | 3,657.50       |
| 244.33  | 264.50      | 3,545.69       |
| 244.33  | 233.10      | 3,365.89       |
| 244.33  | 203.01      | 3,126.02       |
| 244.33  | 174.58      | 2,837.59       |
| 244.33  | 148.10      | 2,514.97       |

| \$43,932.50 | \$81,118.72 |
|-------------|-------------|
| Future LR   | 184.6%      |

| \$11,043.87 | \$29,399.23 |
|-------------|-------------|
| Future LR   | 266.2%      |

#### Exhibit 3 Table 6

Issue Age 65, 5 Year Benefit Period, 150 Initial Daily Benefit 5% Compound Switch to No COLA
Past COLA Increases 100% Vested
Rate Increase Reduced From 80% to 0%
10<sup>th</sup> Policy Duration

| Attained |         |               |                    | Expected Claim Cost |
|----------|---------|---------------|--------------------|---------------------|
| Age      | Year    | Daily Benefit | <b>Earned Prem</b> | (5% Compound)       |
|          | 75 2015 | 244.33        | 6,076.08           | 1,556.92            |
|          | 76 2016 | 256.55        | 5,861.40           | 1,757.96            |
|          | 77 2017 | 269.38        | 5,642.16           | 1,962.99            |
|          | 78 2018 | 282.85        | 5,417.62           | 2,319.08            |
|          | 79 2019 | 296.99        | 5,187.71           | 2,964.45            |
|          | 80 2020 | 311.84        | 4,952.74           | 3,559.58            |
|          | 81 2021 | 327.43        | 4,712.70           | 4,376.28            |
|          | 82 2022 | 343.80        | 4,467.42           | 5,354.00            |
|          | 83 2023 | 360.99        | 4,216.65           | 6,018.96            |
|          | 84 2024 | 379.04        | 3,961.05           | 6,356.15            |
|          | 85 2025 | 397.99        | 3,701.88           | 7,222.46            |
|          | 86 2026 | 417.89        | 3,440.00           | 8,154.03            |
|          | 87 2027 | 438.79        | 3,176.07           | 9,137.77            |
|          | 88 2028 | 460.73        | 2,910.74           | 9,825.18            |
|          | 89 2029 | 483.76        | 2,645.15           | 10,465.85           |
|          | 90 2030 | 507.95        | 2,381.40           | 11,034.71           |
|          | 91 2031 | 533.35        | 2,122.11           | 11,506.36           |
|          | 92 2032 | 560.02        | 1,870.21           | 11,856.68           |
|          | 93 2033 | 588.02        | 1,628.79           | 12,063.76           |
|          | 94 2034 | 617.42        | 1,400.66           | 12,109.02           |
|          | 95 2035 | 648.29        | 1,188.24           | 11,979.50           |

|               |                    | Expected Claim Cost |
|---------------|--------------------|---------------------|
| Daily Benefit | <b>Earned Prem</b> | (No COLA)           |
| 244.33        | 1,740.00           | 1,481.05            |
| 244.33        | 1,678.52           | 1,592.66            |
| 244.33        | 1,615.74           | 1,693.73            |
| 244.33        | 1,551.44           | 1,905.68            |
| 244.33        | 1,485.60           | 2,320.01            |
| 244.33        | 1,418.31           | 2,653.11            |
| 244.33        | 1,349.57           | 3,106.51            |
| 244.33        | 1,279.33           | 3,619.57            |
| 244.33        | 1,207.52           | 3,875.35            |
| 244.33        | 1,134.32           | 3,897.57            |
| 244.33        | 1,060.10           | 4,172.42            |
| 244.33        | 985.11             | 4,437.92            |
| 244.33        | 909.53             | 4,685.44            |
| 244.33        | 833.54             | 4,896.61            |
| 244.33        | 757.49             | 4,981.46            |
| 244.33        | 681.96             | 4,927.35            |
| 244.33        | 607.70             | 4,776.73            |
| 244.33        | 535.57             | 4,534.51            |
| 244.33        | 466.43             | 4,211.35            |
| 244.33        | 401.10             | 3,822.78            |
| 244.33        | 340.28             | 3,388.14            |

| \$56,398.89 | \$88,778.45 |
|-------------|-------------|
| Future LR   | 157.4%      |

| \$16,150.88 | \$46,837.89 |
|-------------|-------------|
| Future LR   | 290.0%      |

#### Exhibit 3 Table 7

Issue Age 57, Lifetime Benefit Period, 150 Initial Daily Benefit 5% Compound Switch to No COLA
Past COLA Increases 100% Vested
Rate Increase Reduced From 80% to 0%
10<sup>th</sup> Policy Duration

|                   |               |                    | <b>Expected Claim Cost</b> |
|-------------------|---------------|--------------------|----------------------------|
| Attained Age Year | Daily Benefit | <b>Earned Prem</b> | (5% Compound)              |
| 67 2015           | 244.33        | 5,549.31           | 721.58                     |
| 68 2016           | 256.55        | 5,380.20           | 853.28                     |
| 69 2017           | 269.38        | 5,208.47           | 1,027.76                   |
| 70 2018           | 282.85        | 5,033.89           | 1,224.12                   |
| 71 2019           | 296.99        | 4,856.04           | 1,690.08                   |
| 72 2020           | 311.84        | 4,674.39           | 2,144.11                   |
| 73 2021           | 327.43        | 4,488.37           | 2,494.28                   |
| 74 2022           | 343.80        | 4,297.90           | 3,105.94                   |
| 75 2023           | 360.99        | 4,103.23           | 3,382.38                   |
| 76 2024           | 379.04        | 3,904.36           | 3,761.05                   |
| 77 2025           | 397.99        | 3,701.16           | 4,128.24                   |
| 78 2026           | 417.89        | 3,493.39           | 4,784.50                   |
| 79 2027           | 438.79        | 3,281.63           | 5,986.98                   |
| 80 2028           | 460.73        | 3,066.92           | 7,020.60                   |
| 81 2029           | 483.76        | 2,849.96           | 8,406.70                   |
| 82 2030           | 507.95        | 2,631.30           | 9,986.23                   |
| 83 2031           | 533.35        | 2,411.48           | 10,860.51                  |
| 84 2032           | 560.02        | 2,191.45           | 11,048.23                  |
| 85 2033           | 588.02        | 1,972.94           | 11,908.98                  |
| 86 2034           | 617.42        | 1,758.11           | 12,695.42                  |
| 87 2035           | 648.29        | 1,549.43           | 13,374.19                  |
| 88 2036           | 680.71        | 1,349.41           | 13,887.43                  |
| 89 2037           | 714.74        | 1,160.41           | 13,978.60                  |
| 90 2038           | 750.48        | 984.43             | 13,622.39                  |
| 91 2039           | 788.00        | 823.12             | 13,866.27                  |
| 92 2040           | 827.40        | 725.42             | 13,821.29                  |
| 93 2041           | 868.77        | 631.77             | 13,478.10                  |
| 94 2042           | 912.21        | 543.29             | 12,846.23                  |
| 95 2043           | 957.82        | 460.89             | 11,954.96                  |

|               |             | Expected Claim Cost |
|---------------|-------------|---------------------|
| Daily Benefit | Earned Prem | (No COLA)           |
| 244.33        | 1,395.00    | 666.44              |
| 244.33        | 1,352.49    | 750.54              |
| 244.33        | 1,309.32    | 860.97              |
| 244.33        | 1,265.43    | 976.63              |
| 244.33        | 1,220.72    | 1,284.18            |
| 244.33        | 1,175.06    | 1,551.58            |
| 244.33        | 1,128.30    | 1,719.03            |
| 244.33        | 1,080.42    | 2,038.65            |
| 244.33        | 1,031.48    | 2,114.37            |
| 244.33        | 981.49      | 2,239.13            |
| 244.33        | 930.41      | 2,340.70            |
| 244.33        | 878.18      | 2,583.62            |
| 244.33        | 824.95      | 3,079.01            |
| 244.33        | 770.97      | 3,438.65            |
| 244.33        | 716.43      | 3,921.48            |
| 244.33        | 661.46      | 4,436.46            |
| 244.33        | 606.20      | 4,595.11            |
| 244.33        | 550.89      | 4,451.94            |
| 244.33        | 495.96      | 4,570.27            |
| 244.33        | 441.96      | 4,640.07            |
| 244.33        | 389.50      | 4,655.39            |
| 244.33        | 339.22      | 4,603.85            |
| 244.33        | 291.71      | 4,413.40            |
| 244.33        | 247.47      | 4,096.13            |
| 244.33        | 206.92      | 3,970.92            |
| 244.33        | 182.36      | 3,769.56            |
| 244.33        | 158.82      | 3,500.91            |
| 244.33        | 136.57      | 3,177.89            |
| 244.33        | 115.86      | 2,816.58            |

| \$57,597.46 | \$107,097.06 |
|-------------|--------------|
| Future LR   | 185.9%       |

| \$14,479.00 | \$44,770.04 |
|-------------|-------------|
| Future LR   | 309.2%      |

#### Exhibit 3 Table 8

Issue Age 65, Lifetime Benefit Period, 150 Initial Daily Benefit 5% Compound Switch to No COLA
Past COLA Increases 100% Vested
Rate Increase Reduced From 80% to 0%
10<sup>th</sup> Policy Duration

| Attained |      |               |                    | Expected Claim Cost |
|----------|------|---------------|--------------------|---------------------|
| Age      | Year | Daily Benefit | <b>Earned Prem</b> | (5% Compound)       |
| 75       | 2015 | 244.33        | 8,956.98           | 3,138.88            |
| 76       | 2016 | 256.55        | 8,640.52           | 3,544.19            |
| 77       | 2017 | 269.38        | 8,317.32           | 3,957.56            |
| 78       | 2018 | 282.85        | 7,986.32           | 4,675.45            |
| 79       | 2019 | 296.99        | 7,647.40           | 5,976.57            |
| 80       | 2020 | 311.84        | 7,301.02           | 7,176.41            |
| 81       | 2021 | 327.43        | 6,947.17           | 8,822.94            |
| 82       | 2022 | 343.80        | 6,585.60           | 10,794.11           |
| 83       | 2023 | 360.99        | 6,215.92           | 12,134.73           |
| 84       | 2024 | 379.04        | 5,839.13           | 12,814.53           |
| 85       | 2025 | 397.99        | 5,457.08           | 14,404.12           |
| 86       | 2026 | 417.89        | 5,071.03           | 16,086.69           |
| 87       | 2027 | 438.79        | 4,681.97           | 17,833.10           |
| 88       | 2028 | 460.73        | 4,290.83           | 19,568.70           |
| 89       | 2029 | 483.76        | 3,899.32           | 20,903.15           |
| 90       | 2030 | 507.95        | 3,510.52           | 21,709.92           |
| 91       | 2031 | 533.35        | 3,128.28           | 22,098.60           |
| 92       | 2032 | 560.02        | 2,756.95           | 22,026.90           |
| 93       | 2033 | 588.02        | 2,401.06           | 21,479.97           |
| 94       | 2034 | 617.42        | 2,064.76           | 20,472.97           |
| 95       | 2035 | 648.29        | 1,751.64           | 19,052.55           |

|               |             | Expected Claim |
|---------------|-------------|----------------|
| Daily Benefit | Earned Prem | Cost (No COLA) |
| 244.33        | 2,565.00    | 2,899.01       |
| 244.33        | 2,474.38    | 3,117.47       |
| 244.33        | 2,381.82    | 3,315.30       |
| 244.33        | 2,287.03    | 3,730.19       |
| 244.33        | 2,189.98    | 4,541.19       |
| 244.33        | 2,090.78    | 5,193.20       |
| 244.33        | 1,989.45    | 6,080.68       |
| 244.33        | 1,885.91    | 7,084.94       |
| 244.33        | 1,780.05    | 7,585.60       |
| 244.33        | 1,672.14    | 7,629.10       |
| 244.33        | 1,562.74    | 8,167.11       |
| 244.33        | 1,452.19    | 8,686.78       |
| 244.33        | 1,340.77    | 9,171.28       |
| 244.33        | 1,228.76    | 9,584.64       |
| 244.33        | 1,116.64    | 9,750.71       |
| 244.33        | 1,005.30    | 9,644.80       |
| 244.33        | 895.84      | 9,349.98       |
| 244.33        | 789.51      | 8,875.85       |
| 244.33        | 687.59      | 8,243.30       |
| 244.33        | 591.28      | 7,482.70       |
| 244.33        | 501.61      | 6,631.96       |

| \$83,139.74 | \$170,898.82 |
|-------------|--------------|
| Future LR   | 205.6%       |

| \$23,808.63 | \$91,680.51 |
|-------------|-------------|
| Future LR   | 385.1%      |

## Allianz Life Insurance Company of North America National Policy Form Series : 11-P-Q As of 12/31/2014 No Rate Increase, Best Estimate & Pricing Interest Rate

| Year_                   | Earned Premium*              | Incurred Claims*             | Loss Ratio             | Expected Earned Premium | Expected Incurred Claims | Expected Loss<br>Ratio | Actual to Expected |
|-------------------------|------------------------------|------------------------------|------------------------|-------------------------|--------------------------|------------------------|--------------------|
| 2006                    | \$1,720,870                  | \$0                          | 0.0%                   | \$1,720,870             | \$25,129                 | 1.5%                   | 0.0%               |
| 2007                    | \$11,618,948                 | \$226,659                    | 2.0%                   | \$11,606,305            | \$185,947                | 1.6%                   | 121.8%             |
| 2008                    | \$25,153,341                 | \$130,729                    | 0.5%                   | \$25,373,783            | \$499,442                | 2.0%                   | 26.4%              |
| 2009                    | \$34,229,481                 | \$635,798                    | 1.9%                   | \$35,342,763            | \$901,584                | 2.6%                   | 72.8%              |
| 2010                    | \$37,743,853                 | \$688,811                    | 1.8%                   | \$39,139,436            | \$1,344,722              | 3.4%                   | 53.1%              |
| 2011                    | \$36,614,035                 | \$1,564,630                  | 4.3%                   | \$37,583,970            | \$1,794,610              | 4.8%                   | 89.5%              |
| 2012                    | \$35,819,346                 | \$3,303,696                  | 9.2%                   | \$36,290,239            | \$2,309,261              | 6.4%                   | 144.9%             |
| 2013<br>2014            | \$35,211,460<br>\$34,506,297 | \$3,499,104<br>\$2,856,344   | 9.9%<br>8.3%           | \$35,143,453            | \$2,898,768              | 8.2%<br>10.4%          | 120.5%<br>79.3%    |
| 2015                    | \$34,064,272                 | \$5,401,680                  | 15.86%                 | \$34,052,401            | \$3,555,268              | 10.470                 | 19.3%              |
| 2016                    | \$33,044,035                 | \$6,269,638                  | 18.97%                 |                         |                          |                        |                    |
| 2017                    | \$31,356,710                 | \$7,305,943                  | 23.30%                 |                         |                          |                        |                    |
| 2018                    | \$29,790,211                 | \$8,512,855                  | 28.58%                 |                         |                          |                        |                    |
| 2019                    | \$28,371,876                 | \$9,875,616                  | 34.81%                 |                         |                          |                        |                    |
| 2020                    | \$27,188,154                 | \$11,412,193                 | 41.97%                 |                         |                          |                        |                    |
| 2021                    | \$26,236,142                 | \$13,132,739                 | 50.06%                 |                         |                          |                        |                    |
| 2022                    | \$25,236,586                 | \$15,064,505                 | 59.69%                 |                         |                          |                        |                    |
| 2023                    | \$24,231,228                 | \$17,190,795                 | 70.94%                 |                         |                          |                        |                    |
| 2024<br>2025            | \$23,188,385<br>\$22,123,363 | \$19,504,252<br>\$22,012,122 | 84.11%<br>99.50%       |                         |                          |                        |                    |
| 2026                    | \$21,026,841                 | \$24,676,028                 | 117.35%                |                         |                          |                        |                    |
| 2027                    | \$19,914,554                 | \$27,489,237                 | 138.04%                |                         |                          |                        |                    |
| 2028                    | \$18,782,889                 | \$30,374,821                 | 161.72%                |                         |                          |                        |                    |
| 2029                    | \$17,642,668                 | \$33,343,593                 | 188.99%                |                         |                          |                        |                    |
| 2030                    | \$16,500,577                 | \$36,291,501                 | 219.94%                |                         |                          |                        |                    |
| 2031                    | \$15,384,755                 | \$39,154,076                 | 254.50%                |                         |                          |                        |                    |
| 2032                    | \$14,285,334                 | \$41,862,632                 | 293.05%                |                         |                          |                        |                    |
| 2033                    | \$13,208,664                 | \$44,321,731                 | 335.55%                |                         |                          |                        |                    |
| 2034<br>2035            | \$12,159,894                 | \$46,481,509                 | 382.25%<br>433.03%     |                         |                          |                        |                    |
| 2036                    | \$11,146,280<br>\$10,162,983 | \$48,267,253<br>\$49,772,302 | 489.74%                |                         |                          |                        |                    |
| 2037                    | \$9,218,790                  | \$51,497,688                 | 558.62%                |                         |                          |                        |                    |
| 2038                    | \$8,317,494                  | \$53,663,500                 | 645.19%                |                         |                          |                        |                    |
| 2039                    | \$7,464,817                  | \$56,122,122                 | 751.82%                |                         |                          |                        |                    |
| 2040                    | \$6,660,916                  | \$58,449,629                 | 877.50%                |                         |                          |                        |                    |
| 2041                    | \$5,907,805                  | \$60,246,203                 | 1019.77%               |                         |                          |                        |                    |
| 2042                    | \$5,206,150                  | \$61,443,391                 | 1180.21%               |                         |                          |                        |                    |
| 2043                    | \$4,561,546                  | \$61,975,309                 | 1358.65%               |                         |                          |                        |                    |
| 2044<br>2045            | \$3,970,780                  | \$61,839,263<br>\$61,049,514 | 1557.36%<br>1777.46%   |                         |                          |                        |                    |
| 2045                    | \$3,434,658<br>\$2,952,122   | \$59,643,434                 | 2020.36%               |                         |                          |                        |                    |
| 2047                    | \$2,521,066                  | \$57,646,543                 | 2286.59%               |                         |                          |                        |                    |
| 2048                    | \$2,139,170                  | \$55,125,394                 | 2576.95%               |                         |                          |                        |                    |
| 2049                    | \$1,803,624                  | \$52,162,067                 | 2892.07%               |                         |                          |                        |                    |
| 2050                    | \$1,511,233                  | \$48,862,950                 | 3233.32%               |                         |                          |                        |                    |
| 2051                    | \$1,258,519                  | \$45,334,290                 | 3602.19%               |                         |                          |                        |                    |
| 2052                    | \$1,041,842                  | \$41,671,279                 | 3999.77%               |                         |                          |                        |                    |
| 2053                    | \$857,523                    | \$37,951,191                 | 4425.67%               |                         |                          |                        |                    |
| 2054<br>2055            | \$701,933<br>\$571,560       | \$34,266,522                 | 4881.73%               |                         |                          |                        |                    |
| 2056                    | \$571,569<br>\$463,115       | \$30,698,685<br>\$27,301,520 | 5370.95%<br>5895.19%   |                         |                          |                        |                    |
| 2057                    | \$373,491                    | \$24,110,264                 | 6455.38%               |                         |                          |                        |                    |
| 2058                    | \$299,889                    | \$21,154,169                 | 7053.99%               |                         |                          |                        |                    |
| 2059                    | \$239,799                    | \$18,460,424                 | 7698.29%               |                         |                          |                        |                    |
| 2060                    | \$191,002                    | \$16,018,203                 | 8386.41%               |                         |                          |                        |                    |
| 2061                    | \$151,572                    | \$13,832,569                 | 9126.08%               |                         |                          |                        |                    |
| 2062                    | \$119,853                    | \$11,900,581                 | 9929.29%               |                         |                          |                        |                    |
| 2063                    | \$94,446                     | \$10,199,594                 | 10799.45%              |                         |                          |                        |                    |
| 2064                    | \$74,173                     | \$8,709,426                  | 11742.03%              |                         |                          |                        |                    |
| 2065<br>2066            | \$58,058<br>\$45,291         | \$7,411,209<br>\$6,285,222   | 12765.24%<br>13877.56% |                         |                          |                        |                    |
| 2067                    | \$35,208                     | \$5,311,167                  | 15084.95%              |                         |                          |                        |                    |
| 2068                    | \$27,272                     | \$4,478,682                  | 16422.19%              |                         |                          |                        |                    |
| 2069                    | \$21,049                     | \$3,770,503                  | 17912.66%              |                         |                          |                        |                    |
| 2070+                   | \$87,645                     | \$21,351,675                 | 24361.42%              |                         |                          |                        |                    |
|                         |                              | Sumr                         | nary of Experience     |                         | Expected Incurred        | Expected Loss          | Actual to          |
|                         | Earned Premium*              | Incurred Claims*             | Loss Ratio             | Premium                 | <u>Claims</u>            | Ratio                  | Expected           |
| Hisorical (YE2014)      | \$291,996,853                | \$14,146,438                 | 4.8%                   | \$296,407,650           | \$14,957,936             | 5.0%                   | 96.0%              |
| ojected Future (2015 +) | \$368,498,568                | \$655,231,140                | 177.8%                 | . , ,                   | . ,                      |                        |                    |
| . 1 T 10                | \$660 405 420                | \$660 277 570                | 101 20%                |                         |                          |                        |                    |

101.3%

Total Lifetime Anticipated \*Actuals for 2014 and prior

Projected Future (2015 +)

\$660,495,420

\$669,377,579

# Allianz Life Insurance Company of North America Virginia Only Policy Form Series : 11-P-Q-VA As of 12/31/2014 No Rate Increase, Best Estimate & Pricing Interest Rate

| <u>Year</u>                          | Earned Premium*            | Incurred Claims*           | Loss Ratio             |
|--------------------------------------|----------------------------|----------------------------|------------------------|
| 2006                                 | \$11,466                   | \$0                        | 0.0%                   |
| 2007                                 | \$543,553                  | \$0                        | 0.0%                   |
| 2008                                 | \$1,248,216                | \$0                        | 0.0%                   |
| 2009                                 | \$1,687,135                | \$0                        | 0.0%                   |
| 2010                                 | \$1,883,282                | \$52,266                   | 2.8%                   |
| 2011                                 | \$1,824,924                | \$0                        | 0.0%                   |
| 2012                                 | \$1,777,823                | \$0                        | 0.0%                   |
| 2013                                 | \$1,744,916                | \$180,943                  | 10.4%                  |
| 2014<br>2015                         | \$1,713,245<br>\$1,696,573 | \$229,746<br>\$214,137     | 13.4%<br>12.62%        |
| 2016                                 | \$1,661,398                | \$249,267                  | 15.00%                 |
| 2017                                 | \$1,608,575                | \$292,561                  | 18.19%                 |
| 2018                                 | \$1,552,864                | \$344,542                  | 22.19%                 |
| 2019                                 | \$1,494,357                | \$400,766                  | 26.82%                 |
| 2020                                 | \$1,445,050                | \$464,855                  | 32.17%                 |
| 2021                                 | \$1,404,574                | \$535,461                  | 38.12%                 |
| 2022                                 | \$1,350,599                | \$618,841                  | 45.82%                 |
| 2023                                 | \$1,300,278                | \$715,509                  | 55.03%                 |
| 2024                                 | \$1,249,326                | \$821,842                  | 65.78%                 |
| 2025                                 | \$1,200,392                | \$943,946                  | 78.64%<br>93.59%       |
| 2026<br>2027                         | \$1,152,212<br>\$1,099,640 | \$1,078,314<br>\$1,221,218 | 111.06%                |
| 2028                                 | \$1,047,866                | \$1,373,772                | 131.10%                |
| 2029                                 | \$992,663                  | \$1,542,792                | 155.42%                |
| 2030                                 | \$933,832                  | \$1,712,440                | 183.38%                |
| 2031                                 | \$879,539                  | \$1,893,552                | 215.29%                |
| 2032                                 | \$825,832                  | \$2,076,042                | 251.39%                |
| 2033                                 | \$774,625                  | \$2,249,177                | 290.36%                |
| 2034                                 | \$724,639                  | \$2,412,123                | 332.87%                |
| 2035                                 | \$674,770                  | \$2,568,720                | 380.68%                |
| 2036                                 | \$622,587<br>\$574,021     | \$2,713,788<br>\$2,885,961 | 435.89%                |
| 2037<br>2038                         | \$527,204                  | \$3,099,327                | 502.76%<br>587.88%     |
| 2039                                 | \$483,618                  | \$3,337,226                | 690.05%                |
| 2040                                 | \$441,779                  | \$3,568,044                | 807.65%                |
| 2041                                 | \$401,841                  | \$3,784,649                | 941.83%                |
| 2042                                 | \$363,936                  | \$3,970,886                | 1091.09%               |
| 2043                                 | \$328,169                  | \$4,126,591                | 1257.46%               |
| 2044                                 | \$294,637                  | \$4,248,174                | 1441.83%               |
| 2045                                 | \$263,397                  | \$4,335,156                | 1645.86%               |
| 2046                                 | \$234,471                  | \$4,393,662                | 1873.86%               |
| 2047<br>2048                         | \$207,858<br>\$183,519     | \$4,416,550<br>\$4,398,930 | 2124.79%<br>2396.99%   |
| 2049                                 | \$161,396                  | \$4,337,740                | 2687.64%               |
| 2050                                 | \$141,403                  | \$4,243,675                | 3001.12%               |
| 2051                                 | \$123,437                  | \$4,123,038                | 3340.20%               |
| 2052                                 | \$107,373                  | \$3,972,249                | 3699.49%               |
| 2053                                 | \$93,081                   | \$3,799,442                | 4081.87%               |
| 2054                                 | \$80,426                   | \$3,611,605                | 4490.59%               |
| 2055                                 | \$69,263                   | \$3,414,122                | 4929.21%               |
| 2056                                 | \$59,456                   | \$3,208,382                | 5396.23%               |
| 2057<br>2058                         | \$50,872                   | \$2,991,998                | 5881.42%<br>6381.26%   |
| 2059                                 | \$43,380<br>\$36,864       | \$2,768,189<br>\$2,543,763 | 6900.40%               |
| 2060                                 | \$31,210                   | \$2,319,711                | 7432.59%               |
| 2061                                 | \$26,328                   | \$2,098,935                | 7972.25%               |
| 2062                                 | \$22,127                   | \$1,884,048                | 8514.70%               |
| 2063                                 | \$18,519                   | \$1,674,539                | 9042.28%               |
| 2064                                 | \$15,436                   | \$1,475,993                | 9562.02%               |
| 2065                                 | \$12,817                   | \$1,289,278                | 10059.12%              |
| 2066                                 | \$10,594                   | \$1,113,762                | 10513.14%              |
| 2067                                 | \$8,722                    | \$953,634                  | 10933.66%              |
| 2068                                 | \$7,148                    | \$810,604                  | 11340.29%              |
| 2069<br>2070+                        | \$5,830<br>\$28,315        | \$684,775<br>\$3,875,543   | 11745.71%<br>13687.24% |
| 2010T                                | 920,313                    | φυ,010,043                 | 15007.2470             |
| Summary of Experience at 4% Interest |                            |                            |                        |
|                                      | Earned Premium*            | Incurred Claims*           | Loss Ratio             |
| Hisorical (YE2014)                   | \$14,348,473               | \$488,558                  | 3.4%                   |
| Projected Future (2015 +)            | \$20,155,439               | \$41,253,319               | 204.7%                 |
| Total Lifetime Anticipated           | \$34,503,912               | \$41,741,877               | 121.0%                 |
|                                      |                            |                            |                        |

\*Actuals for 2014 and prior

# Allianz Life Insurance Company of North America National Policy Form Series : 11-P-Q As of 12/31/2014 60% Rate Increase, Best Estimate & Pricing Interest Rate

| V                                    | E 10 : *                                | L I GI: *                        | I D                   |
|--------------------------------------|---|----------------------------------|-----------------------|
| <u>Year</u>                          | Earned Premium*                         | Incurred Claims*                 | Loss Ratio            |
| 2006                                 | \$1,720,870                             | \$0                              | 0.0%                  |
| 2007                                 | \$11,618,948                            | \$226,659                        | 2.0%                  |
| 2008<br>2009                         | \$25,153,341<br>\$34,229,481            | \$130,729<br>\$635,798           | 0.5%<br>1.9%          |
| 2010                                 | \$37,743,853                            | \$688,811                        | 1.8%                  |
| 2011                                 | \$36,614,035                            | \$1,564,630                      | 4.3%                  |
| 2012                                 | \$35,819,346                            | \$3,303,696                      | 9.2%                  |
| 2013                                 | \$35,211,460                            | \$3,499,104                      | 9.9%                  |
| 2014<br>2015                         | \$34,506,297<br>\$31,778,831            | \$2,856,344<br>\$5,207,896       | 8.3%<br>16.39%        |
| 2016                                 | \$33,052,800                            | \$6,058,493                      | 18.33%                |
| 2017                                 | \$43,819,644                            | \$7,163,639                      | 16.35%                |
| 2018                                 | \$43,682,301                            | \$8,361,271                      | 19.14%                |
| 2019                                 | \$41,580,101                            | \$9,685,466                      | 23.29%                |
| 2020<br>2021                         | \$39,866,164<br>\$38,522,510            | \$11,163,272<br>\$12,801,792     | 28.00%<br>33.23%      |
| 2022                                 | \$37,107,976                            | \$14,636,888                     | 39.44%                |
| 2023                                 | \$35,683,644                            | \$16,651,902                     | 46.67%                |
| 2024                                 | \$34,202,307                            | \$18,839,505                     | 55.08%                |
| 2025                                 | \$32,682,411                            | \$21,203,410                     | 64.88%                |
| 2026<br>2027                         | \$31,111,280<br>\$29,514,268            | \$23,706,391<br>\$26,344,523     | 76.20%<br>89.26%      |
| 2028                                 | \$27,884,812                            | \$29,042,446                     | 104.15%               |
| 2029                                 | \$26,236,404                            | \$31,806,035                     | 121.23%               |
| 2030                                 | \$24,580,882                            | \$34,544,092                     | 140.53%               |
| 2031                                 | \$22,961,822                            | \$37,193,910                     | 161.98%               |
| 2032<br>2033                         | \$21,363,053<br>\$19,789,957            | \$39,693,479<br>\$41,945,205     | 185.80%<br>211.95%    |
| 2034                                 | \$18,254,782                            | \$43,905,649                     | 240.52%               |
| 2035                                 | \$16,766,378                            | \$45,517,608                     | 271.48%               |
| 2036                                 | \$15,319,879                            | \$46,863,661                     | 305.90%               |
| 2037                                 | \$13,922,589                            | \$48,419,772                     | 347.78%               |
| 2038<br>2039                         | \$12,584,912<br>\$11,316,566            | \$50,387,838<br>\$52,624,699     | 400.38%<br>465.02%    |
| 2040                                 | \$10,116,502                            | \$54,737,193                     | 541.07%               |
| 2041                                 | \$8,988,518                             | \$56,351,923                     | 626.93%               |
| 2042                                 | \$7,934,380                             | \$57,411,038                     | 723.57%               |
| 2043                                 | \$6,963,432                             | \$57,851,393                     | 830.79%               |
| 2044<br>2045                         | \$6,071,754<br>\$5,260,112              | \$57,668,358<br>\$56,886,647     | 949.78%<br>1081.47%   |
| 2046                                 | \$4,527,453                             | \$55,541,386                     | 1226.77%              |
| 2047                                 | \$3,871,394                             | \$53,644,859                     | 1385.67%              |
| 2048                                 | \$3,288,841                             | \$51,266,429                     | 1558.80%              |
| 2049                                 | \$2,775,935                             | \$48,481,712                     | 1746.50%              |
| 2050<br>2051                         | \$2,328,112<br>\$1,940,374              | \$45,387,874<br>\$42,085,229     | 1949.56%<br>2168.92%  |
| 2052                                 | \$1,607,401                             | \$38,666,178                     | 2405.51%              |
| 2053                                 | \$1,323,747                             | \$35,198,020                     | 2658.97%              |
| 2054                                 | \$1,083,990                             | \$31,767,357                     | 2930.60%              |
| 2055                                 | \$882,883                               | \$28,449,296                     | 3222.32%              |
| 2056<br>2057                         | \$715,435<br>\$576,976                  | \$25,289,164<br>\$22,320,277     | 3534.80%<br>3868.49%  |
| 2058                                 | \$463,214                               | \$19,570,035                     | 4224.84%              |
| 2059                                 | \$370,281                               | \$17,064,896                     | 4608.63%              |
| 2060                                 | \$294,825                               | \$14,794,401                     | 5018.03%              |
| 2061                                 | \$233,872                               | \$12,762,569                     | 5457.07%              |
| 2062<br>2063                         | \$184,853<br>\$145,595                  | \$10,966,735<br>\$9,386,560      | 5932.68%<br>6447.03%  |
| 2064                                 | \$114,298                               | \$8,004,297                      | 7003.01%              |
| 2065                                 | \$89,463                                | \$6,801,931                      | 7603.07%              |
| 2066                                 | \$69,775                                | \$5,760,560                      | 8255.91%              |
| 2067                                 | \$54,251<br>\$42,035                    | \$4,861,032                      | 8960.26%              |
| 2068<br>2069                         | \$42,035<br>\$32,468                    | \$4,093,270<br>\$3,441,735       | 9737.77%<br>10600.39% |
| 2070+                                | \$135,320                               | \$19,495,024                     | 14406.61%             |
|                                      |   |                                  |                       |
| Summary of Experience at 4% Interest |   |                                  |                       |
| Hisorical (YE2014)                   | <u>Earned Premium*</u><br>\$291,996,853 | Incurred Claims*<br>\$14,146,438 | Loss Ratio<br>4.8%    |
| Projected Future (2015 +)            | \$510,090,252                           | \$618,757,200                    | 121.3%                |
| Total Lifetime Anticipated           | \$802,087,105                           | \$632,903,638                    | 78.9%                 |
|                                      |   |                                  |                       |

<sup>\*</sup>Actuals for 2014 and prior

#### Allianz Life Insurance Company of North America Virginia Only Policy Form Series : 11-P-Q-VA As of 12/31/2014

60% Rate Increase, Best Estimate & Pricing Interest Rate

| <u>Year</u>                | Earned Premium*            | Incurred Claims*           | Loss Ratio           |
|----------------------------|----------------------------|----------------------------|----------------------|
| 2006                       | \$11,466                   | \$0                        | 0.0%                 |
| 2007                       | \$543,553                  | \$0                        | 0.0%                 |
| 2008                       | \$1,248,216                | \$0                        | 0.0%                 |
| 2009                       | \$1,687,135                | \$0                        | 0.0%                 |
| 2010                       | \$1,883,282                | \$52,266                   | 2.8%                 |
| 2011                       | \$1,824,924                | \$0                        | 0.0%                 |
| 2012                       | \$1,777,823                | \$0                        | 0.0%                 |
| 2013                       | \$1,744,916                | \$180,943                  | 10.4%                |
| 2014                       | \$1,713,245                | \$229,746                  | 13.4%                |
| 2015<br>2016               | \$1,583,226<br>\$1,666,199 | \$211,305<br>\$246,729     | 13.35%               |
| 2017                       | \$2,350,617                | \$240,729                  | 14.81%<br>12.57%     |
| 2017                       | \$2,404,061                | \$349,406                  | 14.53%               |
| 2019                       | \$2,317,644                | \$406,331                  | 17.53%               |
| 2020                       | \$2,242,614                | \$469,806                  | 20.95%               |
| 2021                       | \$2,181,274                | \$537,837                  | 24.66%               |
| 2022                       | \$2,097,049                | \$618,484                  | 29.49%               |
| 2023                       | \$2,019,986                | \$711,268                  | 35.21%               |
| 2024                       | \$1,941,410                | \$812,406                  | 41.85%               |
| 2025                       | \$1,866,795                | \$928,414                  | 49.73%               |
| 2026                       | \$1,793,439                | \$1,055,013                | 58.83%               |
| 2027                       | \$1,712,993                | \$1,189,805                | 69.46%               |
| 2028                       | \$1,633,834                | \$1,332,310                | 81.55%               |
| 2029                       | \$1,548,597                | \$1,488,412                | 96.11%               |
| 2030                       | \$1,457,535                | \$1,644,980                | 112.86%              |
| 2031                       | \$1,373,605                | \$1,811,131                | 131.85%              |
| 2032                       | \$1,290,432                | \$1,977,822                | 153.27%              |
| 2033                       | \$1,211,385                | \$2,135,333                | 176.27%              |
| 2034                       | \$1,134,155                | \$2,281,820                | 201.19%              |
| 2035                       | \$1,057,636                | \$2,420,498                | 228.86%              |
| 2036<br>2037               | \$980,059<br>\$904,223     | \$2,548,134<br>\$2,702,813 | 260.00%<br>298.91%   |
| 2037                       | \$831,010                  | \$2,896,692                | 348.57%              |
| 2039                       | \$762,891                  | \$3,111,743                | 407.89%              |
| 2040                       | \$697,391                  | \$3,317,846                | 475.75%              |
| 2041                       | \$634,761                  | \$3,508,887                | 552.79%              |
| 2042                       | \$575,231                  | \$3,672,069                | 638.36%              |
| 2043                       | \$518,991                  | \$3,805,781                | 733.30%              |
| 2044                       | \$466,196                  | \$3,906,713                | 838.00%              |
| 2045                       | \$416,959                  | \$3,977,654                | 953.97%              |
| 2046                       | \$371,327                  | \$4,023,893                | 1083.65%             |
| 2047                       | \$329,306                  | \$4,034,361                | 1225.11%             |
| 2048                       | \$290,852                  | \$4,007,237                | 1377.76%             |
| 2049                       | \$255,879                  | \$3,937,659                | 1538.88%             |
| 2050                       | \$224,264                  | \$3,838,037                | 1711.39%             |
| 2051                       | \$195,850                  | \$3,715,137                | 1896.93%             |
| 2052                       | \$170,441                  | \$3,567,204                | 2092.93%             |
| 2053                       | \$147,836                  | \$3,400,753<br>\$3,222,792 | 2300.36%             |
| 2054<br>2055               | \$127,817<br>\$110,164     | \$3,036,402                | 2521.41%<br>2756.26% |
| 2056                       | \$94,656                   | \$2,844,067                | 3004.63%             |
| 2057                       | \$81,079                   | \$2,644,331                | 3261.43%             |
| 2058                       | \$69,230                   | \$2,439,477                | 3523.73%             |
| 2059                       | \$58,927                   | \$2,235,938                | 3794.42%             |
| 2060                       | \$49,994                   | \$2,034,540                | 4069.57%             |
| 2061                       | \$42,275                   | \$1,837,868                | 4347.41%             |
| 2062                       | \$35,622                   | \$1,648,033                | 4626.45%             |
| 2063                       | \$29,914                   | \$1,464,473                | 4895.61%             |
| 2064                       | \$25,026                   | \$1,291,995                | 5162.61%             |
| 2065                       | \$20,863                   | \$1,131,084                | 5421.48%             |
| 2066                       | \$17,324                   | \$980,626                  | 5660.51%             |
| 2067                       | \$14,331                   | \$844,022                  | 5889.48%             |
| 2068                       | \$11,806                   | \$722,020                  | 6115.70%             |
| 2069                       | \$9,686                    | \$614,756                  | 6346.85%             |
| 2070+                      | \$47,855                   | \$3,637,265                | 7600.60%             |
| Sun                        | nmary of Experience        | at 4% Interest             |                      |
| Sun                        | Earned Premium*            | Incurred Claims*           | Loss Ratio           |
| Hisorical (YE2014)         |                            | \$488,558                  | 3.4%                 |
| Projected Future (2015 +)  |                            | \$38,431,246               | 130.9%               |
| Total Lifetime Anticipated |                            | \$38,919,804               | 89.0%                |
|                            |                            |                            |                      |
|                            |                            |                            |                      |

<sup>\*</sup>Actuals for 2014 and prior

#### Exhibit 8 58/85 Calculations Allianz Life Insurance of North America National

 $Following \ the \ format \ of Section \ 20(C)(2) \ of \ Model \ 641 \ (Long-Term \ Care \ Insurance \ Model \ Regulation), \ the \ "58/85" \ calculation \ is \ as \ follows \ (all \ dollar \ values \ in \ millions):$ 

| a) | The accumulated value of the initial earned premium is 58% of this value:  | 292.00<br>169.36                   |
|----|--|------------------------------------|
| b) | The accumulated value of prior premium rate schedule increases is 85% of this value:   | 0.00<br>0.00                       |
| c) | The present value of future projected initial earned premiums is 58% of this value:  | 368.50<br>213.73                   |
| d) | The present value of future projected earned premium from prior premium rate schedule increases is PV of future projected EP from 60% increase:  Combined:  85% of this value: | 0.00<br>141.59<br>141.59<br>120.35 |
| e) | The accumulated value of past incurred claims is The present value of future projected incurred claims is sum of these 2 values:   | 14.15<br>720.75<br>734.90          |
| f) | The sum of a,b,c and d is This amount is less than e)  | 503.44<br>734.90                   |

<sup>\*</sup>Maximum justified rate increase is over 110%

#### National Impact on Premiums

### Allianz Life Insurance of North America

| Policy Form: 11- | P-O |
|------------------|-----|
|------------------|-----|

| Assumption          | Original Pricing Assumption  | Current Best Estimate Assumption   |
|---------------------|--|--|
| Original Loss Ratio | 65.50%   | N/A  |
| Morbidity           | Claim Cost Development Morbidity – Claim costs were developed using Milliman, USA's 2002 edition of their Long Term Care Guidelines (Guidelines). The Guidelines were developed from public sources as well as an internal database of \$1.8 billion of Long Term Care insurance claims. Milliman then created and validated the morbidity adjustment factors using their Long Term Care insurance claim data base. Allianz then made some additional adjustments to ensure consistency with several additional sources of claim costs, including the 1997 National Nursing Home Study, and two long term care reinsurers. | The impact of underwriting has worn off and the  |
| Mortality           | Mortality - 1994 Group Annuity Reserving Table, with select factors of .5, .6, .7, .8, .9, 1.0 (years 6+)  | The projected future experience uses 80% of the gender-distinct 1994 GAM table for mortality without future improvements.  |
| Lapse               | ■  | 2 3.40 %<br>3 2.20 %   |
| Interest Rate       | 4.00%  | 4.00%  |
| Expense             | Acquisition - See table 10.2 on next page An additional 12.5% of first year premiums - for acquisition costs An additional 14% of first year premiums - for marketing expenses Maintenance: \$65 all years Claims Administration: 4% (for \$50 - \$99 daily benefit) and 6% (for \$100 - \$500 daily benefit) of base incurred claims, (excludes COLA portion of claims) (5% used for simplified underwriting) Percent of Premium: 2.5% of gross premium   | Changes in expense are not used to justify the rate increase and are not included in this analysis. It is assumed that original expense assumptions are still appropriate. |

Table 9.1 - Lapse Rates

| Table 3.1 - Lapse Nates |       |                        |             |  |
|-------------------------|-------|------------------------|-------------|--|
|                         |       | INDIVIDUAL POLICY      |             |  |
|                         | No    | 3% and 4% Lifetime     | 5% Lifetime |  |
|                         | COLA  | Compound, 2X Compound, | Compound    |  |
|                         |       | and 5% Simple          |             |  |
| Yr 1                    | 7.00% | 6.00%                  | 5.00%       |  |
| 2                       | 6.00% | 5.00%                  | 4.00%       |  |
| 3                       | 5.00% | 4.00%                  | 3.00%       |  |
| 4                       | 3.50% | 2.75%                  | 2.00%       |  |
| 5+                      | 2.25% | 1.75%                  | 1.25%       |  |

|      | INDIVIDUAL POLICY WITH TEN-YEAR PREMIUM PAYMENT RIDER |                        |             |
|------|---|------------------------|-------------|
|      | No  | 3% and 4% Lifetime     | 5% Lifetime |
|      | COLA  | Compound, 2X Compound, | Compound    |
|      |   | and 5% Simple          |             |
| Yr 1 | 7.00%   | 6.00%                  | 5.00%       |
| 2    | 6.00%   | 5.00%                  | 4.00%       |
| 3    | 5.00%   | 4.00%                  | 3.00%       |
| 4    | 3.50%   | 2.75%                  | 2.00%       |
| 5+   | 2.25%   | 1.75%                  | 1.25%       |
| 6    | 1.80%   | 1.40%                  | 1.00%       |
| 7    | 1.35%   | 1.05%                  | 0.75%       |
| 8    | 0.90%   | 0.70%                  | 0.50%       |
| 9    | 0.45%   | 0.35%                  | 0.25%       |
| 10+  | 0.00%   | 0.00%                  | 0.00%       |

|      | WITH SPOUSAL DISCOUNT RIDER |                        |             |
|------|-----------------------------|------------------------|-------------|
|      | No                          | 3% and 4% Lifetime     | 5% Lifetime |
|      | COLA                        | Compound, 2X Compound, | Compound    |
|      |                             | and 5% Simple          |             |
| Yr 1 | 6.00%                       | 4.50%                  | 3.00%       |
| 2    | 4.00%                       | 3.00%                  | 2.00%       |
| 3    | 3.00%                       | 2.25%                  | 1.50%       |
| 4    | 2.50%                       | 1.75%                  | 1.00%       |
| 5+   | 2.00%                       | 1.50%                  | 1.00%       |

|      | WITH SPOUSAL DISCOUND RIDER AND WITH TEN-YEAR PREMIUM PAYMENT RIDER |                        |             |
|------|---|------------------------|-------------|
|      | No  | 3% and 4% Lifetime     | 5% Lifetime |
|      | COLA  | Compound, 2X Compound, | Compound    |
|      |   | and 5% Simple          |             |
| Yr 1 | 6.00%   | 4.50%                  | 3.00%       |
| 2    | 4.00%   | 3.00%                  | 2.00%       |
| 3    | 3.00%   | 2.25%                  | 1.50%       |
| 4    | 2.50%   | 1.75%                  | 1.00%       |
| 5+   | 2.00%   | 1.50%                  | 1.00%       |
| 6    | 1.60%   | 1.20%                  | 0.80%       |
| 7    | 1.20%   | 0.90%                  | 0.60%       |
| 8    | 0.80%   | 0.60%                  | 0.40%       |
| 9    | 0.40%   | 0.30%                  | 0.20%       |
| 10+  | 0.00%   | 0.00%                  | 0.00%       |

Table 9.2 - Acquisition Expense

|          | Regular | Simplified   |
|----------|---------|--------------|
| Age      |         | Underwriting |
| 18-44    | \$510   | \$314        |
| 45-49    | \$520   | \$320        |
| 50-54    | \$525   | \$323        |
| 55-59    | \$550   | \$338        |
| 60-64    | \$610   | \$375        |
| 65-69    | \$680   | \$418        |
| 70-74    | \$1,150 | \$708        |
| 75-79    | \$1,400 | \$862        |
| 80-84    | \$1,500 | \$923        |
|          |         |              |
| Avg Cost | \$650   | \$400        |

#### VIRGINIA READABILITY COMPLIANCE CERTIFICATION

For use with policy forms submitted on or after July 1, 1982

| Name and Address of Insurer            | Allianz Life Insurance Company of North America<br>5701 Golden Hills Drive<br>Minneapolis, MN 55416-1297  |
|--|---|
| Title of Form Policyholder Rate Increa | ase Notification Letter   |
| Policy Form Number S2280-VA            |   |
|  | reading ease score of the above policy form is $\underline{50}$ . It contains and $\underline{3,899}$ syllables. The type size of the text of the policy forms is eaded.  |
| Section 38.2-3404 of the Code of \     | knowledge and belief that the policy form is in compliance with /irginia and with the Rules and Regulations for Simplified and surance Policies adopted pursuant thereto.  Signature of an Officer of the Insurer |
| Steve Thiel                            | Name (Print)  |
| Vice President Actuary                 | Title   |
| 5/18/16                                | Date  |

#### **Reset Form**

#### Long Term Care Insurance Rate Request Summary Part 1 – To Be Completed By Company

| Company Name and NAIC Number:                      | y Name and NAIC Number: Allianz Life Insurance Company of North America - 90611 |   |                     |  |  |  |  |
|--|---|---|---------------------|--|--|--|--|
| SERFF Tracking Number:                             | ALLB-130  | )164458   |                     |  |  |  |  |
| Effective Date:                                    | Upon App  | oroval  |                     |  |  |  |  |
| Revised Rates                                      | ,   |   |                     |  |  |  |  |
| Average Annual Premium Per Me                      | mber:   | 3,265   |                     |  |  |  |  |
| Average Requested Percentage R                     | ate Change  | Per Member:   | 60%                 |  |  |  |  |
| Minimum Requested Percentage                       | Rate Change   | e Per Member:   | 0%                  |  |  |  |  |
| Maximum Requested Percentage                       | Rate Chang  | e Per Member:   | 80%                 |  |  |  |  |
| Number of Policy Holders Affected                  | <b>d</b> : <sub>742</sub>   | •   |                     |  |  |  |  |
| Plans Affected<br>(The Form Number and "Product Na | me")  |   |                     |  |  |  |  |
| Form#  | "Produc   | ct Name"(if applic  | cable)              |  |  |  |  |
| 11-R1<br>11-R2<br>11-R3<br>11-R4<br>11-R5          | Gene<br>Gene<br>Gene  | ration Protecto ration Protecto ration Protecto ration Protecto ration Protecto ration Protecto | r   <br> r   <br> r |  |  |  |  |

Attach a brief narrative to summarize the key information used to develop the rates including the main drivers for new or revised rates.

This document is intended to help explain the rate filing and it is only a summary of the company's request. It is not intended to describe or include all factors or information considered in the review process. For more detailed information, please refer to the complete filing.

This document is intended to help explain the rate filing and it is only a summary of the company's request. It is not intended to describe or include all factors or information considered in the review process. For more detailed information, please refer to the complete filing.

When Allianz designed the LTC products years ago, we based your initial premium on actuarial assumptions, using the best information available to us at that time. We continually monitor LTC policies and work to balance the needs of our LTC policyholders with the sustainability of the business. LTC insurance rates are affected by many complex factors including interest rates, the number of people who continue coverage, how many of them collect benefits, and for how long.

Based on our actual experience, it's clear we will need to pay substantially more claims that anticipated. We know that policyholders are keeping their policies longer than originally expected, and therefore are incurring more claims due to the longer duration. As a result of these longer durations coupled with higher utilization, we are experiencing increases in claims costs.

We realize the rate increase is difficult for our policyholders, and assure you that we considered all of our options very carefully before increasing your premium.

#### **Actual to Expected Exhibit**

#### Allianz Life Insurance Company of North America Nationwide Policy Form Series : 11-P-Q As of 12/31/2014

|      |        | Α           |             | В          | C= B/A    | D           | E            | F= E/D      |           |
|------|--------|-------------|-------------|------------|-----------|-------------|--------------|-------------|-----------|
|      |        |             |             |            |           | Expected    | Expected     |             | Actual to |
|      |        |             |             | Incurred   |           | Earned      | Incurred Exp | pected Loss | Expected  |
| Year | Earned | Premium     | Paid Claims | Claims L   | oss Ratio | Premium     | Claims       | Ratio       | Claims    |
| 2006 |        | 1,720,870   | 0           | 0          | 0.0%      | 1,720,870   | 25,129       | 1.5%        | 0.0%      |
| 2007 |        | 11,618,948  | 226,659     | 226,659    | 2.0%      | 11,606,305  | 185,947      | 1.6%        | 121.8%    |
| 2008 |        | 25,153,341  | 130,729     | 130,729    | 0.5%      | 25,373,783  | 499,442      | 2.0%        | 26.4%     |
| 2009 |        | 34,229,481  | 526,427     | 635,798    | 1.9%      | 35,342,763  | 901,584      | 2.6%        | 72.8%     |
| 2010 |        | 37,743,853  | 688,811     | 688,811    | 1.8%      | 39,139,436  | 1,344,722    | 3.4%        | 53.1%     |
| 2011 |        | 36,614,035  | 1,186,617   | 1,564,630  | 4.3%      | 37,583,970  | 1,794,610    | 4.8%        | 89.5%     |
| 2012 |        | 35,819,346  | 1,544,711   | 3,303,696  | 9.2%      | 36,290,239  | 2,309,261    | 6.4%        | 144.9%    |
| 2013 |        | 35,211,460  | 1,048,308   | 3,499,104  | 9.9%      | 35,143,453  | 2,898,768    | 8.2%        | 120.5%    |
| 2014 |        | 34,506,297  | 157,282     | 2,856,344  | 8.3%      | 34,052,401  | 3,555,268    | 10.4%       | 79.3%     |
|      |        | 252.617.632 | 5.509.544   | 12.905.771 | 5.1%      | 256.253.219 | 13.514.731   | 5.3%        | 96.9%     |

#### **Historical Experience by Duration**

|          |        |             |             |            |           | Expected    | Expected     |            | Actual to |
|----------|--------|-------------|-------------|------------|-----------|-------------|--------------|------------|-----------|
|          |        |             |             | Incurred   |           | Earned      | Incurred Exp | ected Loss | Expected  |
| Duration | Earned | Premium     | Paid Claims | Claims L   | oss Ratio | Premium     | Claims       | Ratio      | Claims    |
| 1        |        | 42,683,096  | 148,574     | 148,574    | 0.3%      | 42,683,096  | 623,271      | 1.5%       | 23.8%     |
| 2        |        | 38,802,574  | 409,162     | 409,162    | 1.1%      | 40,385,194  | 998,191      | 2.5%       | 42.7%     |
| 3        |        | 37,405,545  | 750,570     | 941,789    | 2.5%      | 38,613,177  | 1,393,187    | 3.6%       | 69.8%     |
| 4        |        | 36,414,360  | 1,013,146   | 1,443,070  | 4.0%      | 37,160,123  | 1,883,047    | 5.1%       | 78.2%     |
| 5        |        | 35,742,520  | 1,476,607   | 3,566,649  | 10.0%     | 35,974,427  | 2,340,013    | 6.5%       | 153.4%    |
| 6        |        | 30,295,210  | 962,935     | 2,946,378  | 9.7%      | 30,511,847  | 2,624,902    | 8.6%       | 113.0%    |
| 7        |        | 20,634,827  | 658,292     | 1,955,767  | 9.5%      | 20,673,055  | 2,240,746    | 10.8%      | 87.4%     |
| 8        |        | 9,274,275   | 90,259      | 1,354,703  | 14.6%     | 8,976,208   | 1,200,426    | 13.4%      | 109.2%    |
| 9        |        | 1,365,226   | 0           | 139,679    | 10.2%     | 1,276,093   | 210,948      | 16.5%      | 61.9%     |
|          |        | 252.617.632 | 5.509.544   | 12.905.771 | 5.1%      | 256.253.219 | 13.514.731   | 5.3%       | 96.9%     |

#### Present values at 4%

|            |        |             |             |            | 1          | Expected    | Expected     |            | Actual to |
|------------|--------|-------------|-------------|------------|------------|-------------|--------------|------------|-----------|
|            |        |             |             | Incurred   |            | Earned      | Incurred Exp | ected Loss | Expected  |
|            | Earned | Premium     | Paid Claims | Claims     | Loss Ratio | Premium     | Claims       | Ratio      | Claims    |
| Historical |        | 291,996,853 | 6,285,089   | 14,146,438 | 4.8%       | 296,407,650 | 14,957,936   | 5.0%       | 96.0%     |

Column "D" - Expected Earned Premium: the premium anticipated to be earned from the inception of each policy, under the original pricing persistency actuarial assumptions (voluntary lapse rates by policy duration and mortality by gender and attained age).

Column "E" - Expected Incurred Claims: the anticipated incurred claims from the inception of each policy, under the original pricing persistency actuarial assumptions (voluntary lapse rates by policy duration and mortality by gender and attained age) and original pricing expected loss ratios (by policy duration).

#### **Actual to Expected Exhibit**

#### Allianz Life Insurance Company of North America Virginia Policy Form Series : 11-P-Q-VA As of 12/31/2014

|      |        | Α          |             | В        | C= B/A     | D          | E            | F= E/D      |           |
|------|--------|------------|-------------|----------|------------|------------|--------------|-------------|-----------|
|      |        |            |             |          |            | Expected   | Expected     |             | Actual to |
|      |        |            |             | Incurred |            | Earned     | Incurred Exp | pected Loss | Expected  |
| Year | Earned | Premium    | Paid Claims | Claims I | Loss Ratio | Premium    | Claims       | Ratio       | Claims    |
| 2006 |        | 11,466     | 0           | 0        | 0.0%       | 11,466     | 167          | 1.5%        | 0.0%      |
| 2007 |        | 543,553    | 0           | 0        | 0.0%       | 543,554    | 8,047        | 1.5%        | 0.0%      |
| 2008 |        | 1,248,216  | 0           | 0        | 0.0%       | 1,257,148  | 23,678       | 1.9%        | 0.0%      |
| 2009 |        | 1,687,135  | 0           | 0        | 0.0%       | 1,685,006  | 42,424       | 2.5%        | 0.0%      |
| 2010 |        | 1,883,282  | 52,266      | 52,266   | 2.8%       | 1,865,986  | 63,589       | 3.4%        | 81.4%     |
| 2011 |        | 1,824,924  | 0           | 0        | 0.0%       | 1,792,263  | 84,803       | 4.7%        | 0.0%      |
| 2012 |        | 1,777,823  | 0           | 0        | 0.0%       | 1,730,872  | 109,237      | 6.3%        | 0.0%      |
| 2013 |        | 1,744,916  | 63,747      | 180,943  | 10.4%      | 1,676,347  | 137,471      | 8.2%        | 126.5%    |
| 2014 |        | 1,713,245  | 5,377       | 229,746  | 13.4%      | 1,624,320  | 168,516      | 10.4%       | 129.3%    |
| -    |        | 12.434.560 | 121.389     | 462.955  | 3.7%       | 12.186.964 | 637.932      | 5.2%        | 71.1%     |

#### **Historical Experience by Duration**

|          |        |            |             | lua a comuna al |           | Expected   | Expected     |       | Actual to |
|----------|--------|------------|-------------|-----------------|-----------|------------|--------------|-------|-----------|
|          |        |            |             | Incurred        |           | Earned     | Incurred Exp |       | Expected  |
| Duration | Earned | Premium    | Paid Claims | Claims L        | oss Ratio | Premium    | Claims       | Ratio | Claims    |
| 1        |        | 2,034,676  | 0           | 0               | 0.0%      | 2,034,676  | 29,711       | 1.5%  | 0.0%      |
| 2        |        | 1,918,427  | 52,266      | 52,266          | 2.7%      | 1,925,136  | 47,583       | 2.5%  | 110.2%    |
| 3        |        | 1,882,587  | 0           | 0               | 0.0%      | 1,840,665  | 66,412       | 3.6%  | 0.0%      |
| 4        |        | 1,834,780  | 0           | 0               | 0.0%      | 1,771,399  | 89,764       | 5.1%  | 0.0%      |
| 5        |        | 1,768,282  | 5,377       | 229,746         | 13.0%     | 1,714,566  | 111,527      | 6.5%  | 199.7%    |
| 6        |        | 1,495,843  | 86          | 86              | 0.0%      | 1,454,187  | 125,102      | 8.6%  | 0.1%      |
| 7        |        | 1,057,324  | 63,661      | 180,857         | 17.1%     | 1,020,308  | 110,591      | 10.8% | 157.8%    |
| 8        |        | 433,184    | 0           | 0               | 0.0%      | 417,524    | 55,837       | 13.4% | 0.0%      |
| 9        |        | 9,457      | 0           | 0               | 0.0%      | 8,502      | 1,406        | 16.5% | 0.0%      |
|          |        | 12.434.560 | 121.389     | 462.955         | 3.7%      | 12.186.964 | 637.932      | 5.2%  | 71.1%     |

#### Present values at 4%

|            |        |            |             |           |          | Expected   | Expected      |            | Actual to |
|------------|--------|------------|-------------|-----------|----------|------------|---------------|------------|-----------|
|            |        |            |             | Incurred  |          | Earned     | Incurred Expe | ected Loss | Expected  |
|            | Earned | Premium    | Paid Claims | Claims Lo | ss Ratio | Premium    | Claims        | Ratio      | Claims    |
| Historical |        | 14,348,473 | 135,447     | 488,558   | 3.4%     | 14,084,062 | 705,513       | 5.0%       | 68.0%     |

Column "D" - Expected Earned Premium: the premium anticipated to be earned from the inception of each policy, under the original pricing persistency actuarial assumptions (voluntary lapse rates by policy duration and mortality by gender and attained age).

Column "E" - Expected Incurred Claims: the anticipated incurred claims from the inception of each policy, under the original pricing persistency actuarial assumptions (voluntary lapse rates by policy duration and mortality by gender and attained age) and original pricing expected loss ratios (by policy duration).

## Allianz Life Insurance Company of North America Policy Form Series: 11-P-Q As of 12/31/2014

|            | Policyhoders | Current<br>Annualized<br>Premium | *Proposed<br>Annualized<br>Premium | Current Average<br>Premium | Proposed Average<br>Premium |
|------------|--------------|----------------------------------|------------------------------------|----------------------------|-----------------------------|
| Virginia   | 742          | \$1,712,139                      | \$2,739,423                        | \$2,307                    | \$3,692                     |
| Nationwide | 15,767       | \$34,366,573                     | \$54,986,517                       | \$2,180                    | \$3,487                     |

<sup>\*</sup>Proposed Increase is 60%

#### **Allianz Life Insurance Company of North America**

5701 Golden Hills Drive Minneapolis, MN 55416-1297



Re: LTC RATE FILING 2015 GP2

SERFF Tracking Number: ALLB-130164458

Virginia Bureau of Insurance

April 6, 2016

Dear Janet Houser,

Allianz would first like to thank the Bureau for reviewing our filing. We have the following response for the objection letter dated November 5, 2015. We have included the original objections in bold and our responses below them for your convenience.

1. According to the filing, these riders are attached to the Generation Protector II Policy Form Series: 11-P-Q-VA. Please provide the form numbers of all policies approved in this series exactly as each form was approved and provide the approval date and SERFF tracking number.

Table 1
Information Regarding All Policies Approved in the Generation Protector II Policy Form Series in Virginia

|                     |               | GENERAL AL            |
|---------------------|---------------|-----------------------|
| Form Number         | Approval Date | SERFF Tracking Number |
| 11-P-Q-VA           | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-PS-Q             | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-OC-Q-FULL-VA     | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-OC-Q-SIMP-VA     | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-OC-Q-SEL-FULL-VA | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-OC-Q-SEL-SIMP-VA | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-A-FULL-VA        | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-A-SIMP-VA        | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-A-SEL-FULL-VA    | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-A-SEL-SIMP-VA    | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-R1               | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-R2               | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-R3               | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-R4               | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-R5               | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-R6               | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-R7               | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-R8               | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-R9               | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-R10              | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-R11              | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-R12              | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-R13              | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-R14              | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-R15              | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-R16              | 7/26/2006     | SERT-6L7NDC243/00     |
| 11-E-1              | 7/26/2006     | SERT-6L7NDC243/00     |
| 10-R8-VA            | 10/22/2003    | 007 0000020897*       |
| 10-R17              | 10/22/2003    | 007 0000020897*       |
|                     |               |                       |

| Form Number | Approval Date | SERFF Tracking Number |
|-------------|---------------|-----------------------|
| 10-R18      | 10/22/2003    | 007 0000020897*       |
| 10-R21      | 10/22/2003    | 007 0000020897*       |
| 11-CB       | 4/26/2006     | SERT-6P8JCX819/00     |
| 11-CPG      | 4/26/2006     | SERT-6P8JCX819/00     |
| 11-CB-SEL   | 4/26/2006     | SERT-6P8JCX819/00     |
| 11-CB-EMP   | 4/26/2006     | SERT-6P8JCX819/00     |
| 0-SCB3      | 4/26/2006     | SERT-6P8JCX819/00     |
| 0-M91       | 4/26/2006     | SERT-6P8JCX819/00     |
| 11-ILL      | 4/26/2006     | SERT-6P8JCX819/00     |
| 11-ILL-SEL  | 4/26/2006     | SERT-6P8JCX819/00     |

<sup>\*</sup>These riders were part of a paper filing. The number provided is the submission number associated with the filing.

Enclosed with this letter are the original policy form filings for the Generation Protector II policy forms in Virginia. The original policy form filings for the Generation Protector are also enclosed with this letter providing the original forms for the 10-R8-VA, 10-R17, 10-R18, and 10-R21 riders.

2. According to the General Information in SERFF, a policy endorsement form reflecting the change in the COLA benefits is being filed for approval. Please provide the SERFF tracking number and date of submission.

The SERFF tracking # is ALLB-128730838. This filing was submitted on November 8, 2012.

3. Also indicated in the General Information is the option to elect the reduced paid-up option the attached Premium Increase Contingent Benefit Upon Lapse Rider. Unfortunately, I am unable to locate this document and ask that it be resent. Please provide the form number, SERFF tracking number, and approval date for our records.

Enclosed with this letter is the form for the Premium Increase Contingent Benefit Upon Lapse Rider. The form number is R95369-VA with SERFF tracking # is ALLB-128978105 and was approved on August 9, 2013.

4. The Virginia State Corporation Commission recently adopted revisions to the Rules Governing Long-Term Care Insurance set forth in Chapter 200 of Title 14 of the Virginia Administrative Code. Except as specifically provided in the regulation, the changes are effective September 1, 2015. The Order adopting the revisions to the long term care insurance regulation and all related documents are located on the commissions website at http://www.scc.virginia.gov/DocketSearch#/caseDetails/132748.

As part of the revisions, the commission revised the requirements for policyholder notifications regarding rate increases as stated in 14 VAC5-200-75 D. For compliance with this regulation, please revise the letters to include the following information:

- 1. For compliance with 14VAC5-200-75,
  - a. A 2 requires a statement that should there be future rate increases, options similar to those being offered now will be available. Please also indicate that changes in benefits may be done at any time upon the insureds request
  - b. A 4 requires a statement that the insured has a right to a revised premium rate or rate schedule upon request.
- 2. A clear explanation of options available to the policyholder as alternatives to paying the increased premium amount, including:

- a. An offer to reduce policy benefits provided by the current coverage consistent with the requirements of 14VAC5-200-183;
- b. A disclosure stating that all options available to the policyholder may not be of equal value. Since this is a disclosure, this information should prominent such as being highlighted, bolded, or in large print.
- c. In the case of a partnership policy, a disclosure that some benefit reduction options may result in a loss in partnership status that may reduce policyholder protections, and, as stated above, should be a prominent statement.
- 3. A clear identification of the driving factors of the premium rate increase. What the company has stated in the letters does not satisfy this requirement and should explain what has changed since the policy was priced originally that has created the need for such a significant increase. In other words, what has impacted the assumptions that were used when the policy was priced? The Bureau of Insurance feels it may be more logical to state the reasons for the increase at the beginning of the letter rather than at the end of the letter.
- 4. A statement substantially similar to the following:

The rate increase request was reviewed by Virginias State Corporation Commission and was found to be compliant with applicable Virginia laws and regulations addressing long-term care insurance. All premium rate filings are available for public inspection and may be accessed online through the Virginia Bureau of Insurance's webpage at www.scc.virginia.gov/BOI.

Because the letter must be "filed", please attach the amended letters to the Form Schedule in SERFF in compliance with the requirements of Chapter 100 of Title 14 of the Virginia Administrative Code including a Certification of Compliance. The letter will require a form number as set forth in 14VAC5-100-50 1 and should be submitted on company letterhead for compliance with 14VAC5-100-50 2 requiring the full and proper name of the insurer to prominently appear. Please include a Statement of Variability, if applicable.

5. The General Information in SERFF stated a notice would be sent 60 days prior to the effective date of the increase. Please be aware that as a result of the revised regulations, a notice of at least 75 days is now required as set forth in 14VAC5-200-75 D.

Enclosed with this letter are revised policyholder notification letters to comply with the requirements listed above. The letters have been enclosed with this response letter and have been attached to the Form Schedule tab in SERFF. A statement of variability, certification of compliance, and readability certification are also enclosed with this letter as required.

Allianz will notify policyholders at least 75 days prior to the effective date of the rate increase in accordance with 14VAC5-200-75 D.

5. Please provide a copy of all the enclosure forms noted in the letter. Will the coverage change request form be attached to the policy? If so, please provide the SERFF tracking number and approval date of this form.

Enclosed with this letter are the following documents which will be provided alongside the policyholder notification letter: Coverage Change Request Form, Benefit Change Endorsement, Premium Increase Contingent Benefit Upon Lapse Rider, and Premium Increase Contingent Benefit Upon Lapse Rider Schedule.

The coverage change request form is not attached to the policy when an insured makes any changes to their policy. Once the completed form is received by the company, the policy changes are processed and a

confirmation letter is provided to the policyholder. The Coverage Change Request Form is currently pending for approval (SERFF tracking # ALLB-128730838).

6. It is stated in Section 2 of the Actuarial Memorandum that the Company does not plan to file for any future rate increases if the proposed rate request is approved and implemented and the underlying assumptions, which reflect moderately adverse conditions, are realized. Then in Section 16, it is stated that the Company is considering filing at least one additional future rate increase as long as it is actuarially justified. Please reconcile these contradictory statements.

No future premium rate increases would be anticipated unless experience is more than moderately adverse. Moderately adverse is defined as a 10% increase in future claim cost over the current best estimate assumptions. The actuarial memorandum has been updated to be consistent. Sorry for any confusion this may have caused.

7. It is stated in Section 15 of the Actuarial Memorandum that moderately adverse condition is defined as a 5% increase in the lifetime loss ratio above the current best estimates. Then in Section 16, it is stated that moderately adverse conditions for the 58/85 calculation are defined as a 10% increase in future claim cost over the current best estimate. Please reconcile these contradictory statements.

Moderately adverse condition is defined as a 10% increase in future claim cost over the current best estimate assumptions. The actuarial memorandum has been updated to reflect the 10% moderately adverse condition. Sorry for any confusion this may have caused.

8. Some of the values in Exhibit 8, 58/85 Calculations do not appear to come from Exhibits 4 and 6. Please provide the source for these numbers. In addition, the Bureau requires that the projections of future experience with the projected rate increase utilize the same assumptions as the projection with no increase. In other words, the projection of future experience must be done without antiselection or benefit reductions.

The table below provides the reproduction of where values come from in Exhibit 8. Please note that the value shown in row (H) in the table below is different from the value shown in Exhibit 8 of the actuarial memorandum submitted on October 16, 2015 as it was discovered that the value shown initially did not reflect the correct premium difference. The actuarial memorandum has been updated for this update.

Table 2
Derivation of the 58/85 Calculations in the Actuarial Memorandum

| Component                                  | Location                             | Value  |
|--|--------------------------------------|--------|
| (A) The accumulated value of the initial   | Exhibit 4; Present Value Historical  |        |
| earned premium is                          | Earned Premium                       | 292.00 |
| (B) 58% of this value:                     | = (A) * 58%                          | 169.36 |
| (C) The accumulated value of prior premium | No prior increases on this policy    |        |
| rate schedule increases is                 | form                                 | 0.00   |
| (D) 85% of this value:                     | = (C) * 85%                          | 0.00   |
| (E) The present value of future projected  | Exhibit 4; Present Value Future      |        |
| initial earned premiums is                 | Earned Premium                       | 368.50 |
| (F) 58% of this value:                     | = (E) * 58%                          | 213.73 |
| (G) The present value of future projected  |                                      |        |
| earned premium from prior premium rate     | No prior increases on this policy    |        |
| schedule increases is                      | form                                 | 0.00   |
| (H) PV of future projected EP from 60%     | Exhibit 4 & 6; Difference in Present |        |
| increase:                                  | Value Future Earned Premium          | 141.59 |
| (I) Combined:                              | = (G) + (H)                          | 141.59 |
| (J) 85% of this value:                     | = (I) * 85%                          | 120.35 |
| (K) The accumulated value of past incurred | Exhibit 4; Present Value Historical  |        |
| claims is                                  | Incurred Claims                      | 14.15  |
| (L) The present value of future projected  | Exhibit 4; Present Value Future      |        |
| incurred claims is                         | Incurred Claims * (1 + 10%)          | 720.75 |
| (M) sum of these 2 values:                 | = (K) + (L)                          | 734.90 |
| (N) The sum of B, D, F and J is            | = (B) + (D) + (F) + (J)              | 503.44 |
| (O) This amount is less than M             | = (M)                                | 734.90 |

Attachment 1 to this letter provides a revised 58/85 calculation in which the with increase calculations do not reflect any adverse selection or benefit reductions.

### 9. Please provide actual-to-expected analysis for each of the current assumptions (morbidity, mortality, and lapse).

Enclosed with this letter is a current assumptions document which provides a description of the claim cost study.

Table 3 below provides the results of an actual and expected policy termination study, where the expected level is based on the original pricing lapse and mortality assumption. The experience provided in Table 3 is from the experience group internally referred to as Group 3 which consists of the policy form in this filing, Generation Protector II, and the Generation Protector policy form.

Table 3
A/E Termination Study with Expected based on the Original Pricing Lapse and Mortality Assumption

|          |                    |                       | Actual              |                         | Expected            | A/E                 |
|----------|--------------------|-----------------------|---------------------|-------------------------|---------------------|---------------------|
| Duration | Actual<br>Exposure | Actual<br>Termination | Termination<br>Rate | Expected<br>Termination | Termination<br>Rate | Termination<br>Rate |
| 1        | 10,375             | 787                   | 7.6%                | 624                     | 6.0%                | 126.1%              |
| 2        | 18,605             | 750                   | 4.0%                | 826                     | 4.4%                | 90.8%               |
| 3        | 25,262             | 733                   | 2.9%                | 916                     | 3.6%                | 80.0%               |
| 4        | 30,742             | 713                   | 2.3%                | 922                     | 3.0%                | 77.4%               |
| 5        | 33,874             | 655                   | 1.9%                | 975                     | 2.9%                | 67.2%               |
| 6        | 24,250             | 476                   | 2.0%                | 723                     | 3.0%                | 65.8%               |
| 7        | 12,778             | 217                   | 1.7%                | 396                     | 3.1%                | 54.8%               |
| 8        | 2,082              | 36                    | 1.7%                | 67                      | 3.2%                | 53.7%               |
| Total    | 157,968            | 4,367                 | 2.8%                | 5,449                   | 3.4%                | 80.1%               |

Table 4 below provides the company's lapse study results used in the creation of the assumptions of this filing. Our data is not able to differentiate a lapse termination from a death termination thus a total termination value is provided. The current mortality assumption is set at 80% of the 1994 GAM which was derived by projected from 1994 to 2014 with a 1% improvement. This assumption is developed based on feedback from our consultants and is consistent with industry practice. The voluntary lapse values are developed based on actual terminations and the current mortality assumption. The experience provided in Table 4 is *all* of Allianz's individual long-term care experience which is how the assumptions of this filing are set.

Table 4
Expected Death using Current Mortality Assumption (80% of the 1994 GAM)

| Duration | Actual<br>Exposure | Actual<br>Termination | Expected<br>Death | Voluntary<br>Lapse | Voluntary<br>Lapse Rate |
|----------|--------------------|-----------------------|-------------------|--------------------|-------------------------|
| 1        | 11,030             | 839                   | 66                | 773                | 7.0%                    |
| 2        | 19,767             | 812                   | 132               | 680                | 3.4%                    |
| 3        | 26,458             | 776                   | 192               | 584                | 2.2%                    |
| 4        | 31,467             | 734                   | 251               | 483                | 1.5%                    |
| 5        | 34,155             | 659                   | 316               | 343                | 1.0%                    |
| 6        | 25,989             | 517                   | 278               | 239                | 0.9%                    |
| 7        | 18,445             | 368                   | 228               | 140                | 0.8%                    |
| 8        | 11,087             | 295                   | 151               | 144                | 1.3%                    |
| 9        | 9,064              | 253                   | 135               | 118                | 1.3%                    |
| 10+      | 20,550             | 696                   | 513               | 183                | 0.9%                    |
| Total    | 208,012            | 5,949                 | 2,260             | 3,689              | 1.8%                    |

#### Attachment 1

#### 58/85 Calculations

#### Allianz Life Insurance Company of North America

National

Policy Form Series: 11-P-Q

Following the format of Section 20(C)(2) of Model 641 (Long-Term Care Insurance Model Regulation), the "58/85" calculation is as follows (all dollar values in millions):

| a) | The accumulated value of the initial earned premium is 58% of this value:  | 292.00<br>169.36                   |
|----|--|------------------------------------|
| b) | The accumulated value of prior premium rate schedule increases is 85% of this value:   | 0.00<br>0.00                       |
| c) | The present value of future projected initial earned premiums is   | 368.50                             |
|    | 58% of this value:   | 213.73                             |
| d) | The present value of future projected earned premium from prior premium rate schedule increases is PV of future projected EP from 60% increase:  Combined:  85% of this value: | 0.00<br>182.28<br>182.28<br>154.94 |
| e) | The accumulated value of past incurred claims is The present value of future projected incurred claims is sum of these 2 values:   | 14.15<br>720.75<br>734.90          |
| f) | The sum of a,b,c and d is This amount is less than e)  | 538.02<br>734.90                   |

<sup>\*</sup>All projected values shown ignore the effects of any reduction of benefits and adverse selection.

## Allianz Life Insurance Company of North America 5701 Golden Hills Drive Minneapolis, MN 55416-1297



#### **Updated 12/3/2015**

#### **Morbidity Assumption**

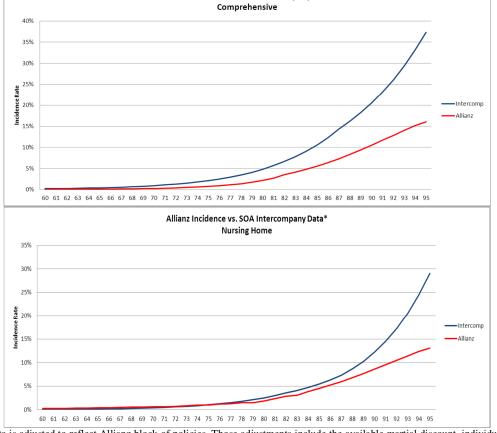
The morbidity assumption was determined upon claim incidence study and claim continuance study performed on actual experience through December 2013. The incidence study reflected 100,000 on claim exposure months and 13,618,000 months of exposure. The claim continuance study reflected over 94,000 claim payment records. The morbidity rates are analyzed by gender, marital status, benefit period, and comprehensive or nursing home only. Other claim cost adjustments are also made to account for benefit increase riders, benefit salvage factors, elimination period, and continuing claim adjustments. These adjustments were made to claim cost based on actual experience data.

<u>Cost Frequency (Claim Incidence Study):</u> Incidence rates are calculated as the claim incidence / (exposure months – on claim exposure months). Incidence rates were computed separately for comprehensive and facility only coverages, gender, and marital status. Adjustments are made to account for benefit period. The ultimate combined claim incidence rate (by attained age) was grouped by gender and marital status and then smoothed using a 5 year rolling average to ensure that the rates are monotonically increasing through increase in attained age. Allianz incidence rates are generally credible between ages 60 up to 85.

For age 59 and below: Overall claim incidence is less than 1 in 1000 per year for these younger ages. These incidence rates are developed by analyzing the increase in incidence from age 60 - 66, which increases 10% per year on average. This data is applied using the following formula. Incidence rate is assumed to decrease 10% a year for each year prior to age 60.

$$q_{59}^{Incidence} = q_{60}^{Incidence} \div 1.1$$
  
 $Thus; q_{t-1}^{Incidence} = q_t^{Incidence} \div 1.1; for t < 60$ 

For age 86 and above: Incidence rates were developed using the SOA 2007 intercompany study, the feedback from our consultant, and our 2012 incidence study. The SOA intercompany data was filtered to reflect our product underwriting, sales method, coverage type, and availability of marital discount. The slope of the SOA study between ages 80 – 100 is analyzed using quadratic regression and this is used to make adjustments to our company's experience; in conjunction with feedback from our consultant, and our previous morbidity study conducted by our consultant in 2012. In general, the final incidence rates are significantly better than the SOA 2007 LTC Intercompany Study.



Allianz Incidence vs. SOA Intercompany Data\*

\*SOA data is adjusted to reflect Allianz block of policies. Those adjustments include the available martial discount, individual policy type, independent producer, issue year, and comprehensive coverage.

<u>Cost Severity (Claim Continuance Study)</u>: The claims continuance study analyzed continuance by individual vs. joint, comprehensive vs. facility only coverage, male vs. female, and benefit periods > 5 years vs. <= 5 years. These raw continuance rates were computed for 120 months. Cumulative continuance rates were smoothed with industry data (provided by our consultant in 2012) where necessary to achieve credibility using the "square root method". We used 1000 as the claims threshold for full credibility. The credibility formula is as follows:

$$\sqrt{N/1000}$$
\*Company Data + $(1-\sqrt{\frac{N}{1000}})$ \*Industry Data

Allianz blended aggregate continuance rate is similar to SOA Intercompany study. The present value of future claim duration using a 4.5% valuation rate is both 23 months for both Allianz and SOA Intercompany. Allianz continuance rate is lower for earlier duration and higher for the later duration because Allianz issue age is generally lower than the industry. This trend can be seen in the SOA study (included below) where younger ages tend to have lower earlier continuance but higher continuance in later duration due to lower mortality rates.

Allianz Continuance Rates are lower than Industry data Allianz Continuance Rates are higher than Industry data

| Month | Allianz    | SOA | Allianz vs SOA |
|-------|------------|-----|----------------|
| 1     | 81%        | 89% | -8.38%         |
| 2     | 70%        | 81% | -11.49%        |
| 3     | 64%        | 76% | -12.10%        |
| 4     | 59%        | 71% | -12.12%        |
| 5     | 56%        | 67% | -11.44%        |
| 6     | 53%        | 64% | -11.28%        |
| 7     | 51%        | 62% | -10.61%        |
| 8     | 50%        | 59% | -9.78%         |
| 9     | 48%        | 57% | -9.03%         |
| 10    | 47%        | 55% | -8.40%         |
| 11    | 46%        | 53% | -7.66%         |
| 12    | 45%        | 51% | -6.71%         |
| 13    | 43%        | 49% | -5.97%         |
| 14    | 43%        | 48% | -5.43%         |
| 15    | 42%        | 47% | -5.00%         |
| 16    | 41%        | 45% | -4.53%         |
| 17    | 40%        | 44% | -4.15%         |
| 18    | 39%        | 43% | -3.59%         |
| 19    | 38%        | 41% | -3.12%         |
| 20    | 37%        | 40% | -2.57%         |
| 21    | 37%        | 39% | -2.13%         |
| 22    | 36%        | 38% | -1.76%         |
| 23    | 35%        | 36% | -1.47%         |
| 24    | 34%        | 35% | -1.02%         |
| 25    | 33%        | 34% | -0.36%         |
| 26    | 33%        | 33% | 0.05%          |
| 27    | 32%        | 32% | 0.41%          |
| 28    | 32%        | 31% | 0.81%          |
| 29    | 31%        | 30% | 1.10%          |
| 30    | 30%        | 29% | 1.35%          |
| 31    | 30%        | 28% | 1.60%          |
| 32    | 29%        | 27% | 1.84%          |
| 33    | 28%        | 26% | 2.07%          |
| 34    | 28%        | 25% | 2.29%          |
| 35    | 27%        | 25% | 2.45%          |
| 36    | 26%        | 24% | 2.71%          |
| 37    | 26%        | 23% | 3.19%          |
| 38    | 25%        | 22% | 3.54%          |
| 39    | 25%<br>25% | 21% | 3.88%          |
| 40    | 25%        | 20% | 4.62%          |

| 41 | 24% | 19% | 4.93% |
|----|-----|-----|-------|
| 42 | 24% | 19% | 5.14% |
| 43 | 23% | 18% | 5.38% |
| 44 | 23% | 17% | 5.55% |
| 45 | 22% | 17% | 5.69% |
| 46 | 22% | 16% | 5.85% |
| 47 | 22% | 16% | 6.03% |
| 48 | 21% | 15% | 6.26% |
| 49 | 21% | 14% | 6.48% |
| 50 | 21% | 14% | 6.59% |
| 51 | 20% | 14% | 6.68% |
| 52 | 20% | 13% | 6.90% |
| 53 | 19% | 12% | 7.04% |
| 54 | 19% | 12% | 7.08% |
| 55 | 19% | 12% | 7.14% |
| 56 | 19% | 11% | 7.23% |
| 57 | 18% | 11% | 7.29% |
| 58 | 18% | 11% | 7.37% |
| 59 | 18% | 10% | 7.40% |
| 60 | 17% | 10% | 7.42% |
|    |     |     |       |

#### Data from the SOA Intercompany Study:

|                   | Incurral Age Group |       |       |       |       |  |
|-------------------|--------------------|-------|-------|-------|-------|--|
| Duration (Months) | 55-64              | 65-74 | 75-84 | 85-89 | 90+   |  |
| 1                 | 88.09              | 86.55 | 88.69 | 91.29 | 91.43 |  |
| 2                 | 79.55              | 77.72 | 81.29 | 84.75 | 84.22 |  |
| 3                 | 72.83              | 71.85 | 76.15 | 80.00 | 78.59 |  |
| 4                 | 67.73              | 67.26 | 71.76 | 75.71 | 73.69 |  |
| 6                 | 59.73              | 60.54 | 65.44 | 69.13 | 66.13 |  |
| 12                | 45.82              | 48.28 | 52.25 | 54.18 | 48.89 |  |
| 24                | 34.12              | 34.55 | 36.28 | 34.98 | 28.59 |  |
| 36                | 26.77              | 25.23 | 24.69 | 21.70 | 14.52 |  |
| 48                | 19.81              | 17.47 | 15.72 | 12.15 | 6.91  |  |
| 60                | 15.05              | 12.22 | 10.30 | 7.42  | 3.80  |  |
|                   |                    |       |       |       |       |  |

#### Sample claim cost calculation:

| Â        | В         | C                       | D       | E          | F             | $G = B \times D \times E \times F$ |
|----------|-----------|-------------------------|---------|------------|---------------|------------------------------------|
| Attained | Incidence | Continuance             | Salvage | Continuous | Disabled Life | Claim Cost                         |
| Age      | Rates     | Rates                   | Adj.    | Claim Ajd. | Reserve       |                                    |
| 75       | 1.58%     | See Below<br>for Detail | 75%     | 0.983744   | 1,184         | 13.82                              |
| 76       | 1.77%     |                         | 75%     | 0.980111   |               |                                    |
| 77       | 1.96%     |                         | 75%     | 0.975098   |               |                                    |
| 78       | 2.30%     |                         | 75%     | 0.968803   |               |                                    |
| 79       | 2.93%     |                         | 75%     | 0.961336   |               |                                    |
| 80       | 3.52%     |                         | 75%     | 0.957325   |               |                                    |
| 81       | 4.35%     |                         | 75%     | 0.950282   |               |                                    |
| 82       | 5.37%     |                         | 75%     | 0.942083   |               |                                    |
| 83       | 6.12%     |                         | 75%     | 0.932536   |               |                                    |
| 84       | 6.59%     |                         | 75%     | 0.923967   |               |                                    |
| 85       | 7.59%     |                         | 75%     | 0.914308   |               |                                    |

#### The Disabled Life Reserve is calculated:

The monthly basis formula we use for PV of expected claim payment after all adj. is the following:

$$\sum_{i=1}^{180} ((CR_i * C_1 + (CR_i - CR_{i-1}) * C_2) * D_i * C_3)$$

, where CR = Continuance rate

 $C_1$  = Claim payment

= Min (30 days \* daily benefit, remaining claim pool) \*salvage adj(i)

 $C_2 = Min (daily benefit amount * days in a month * salvage adj(t=0) / 2, C_1)$ 

 $C_3$  = Continuance claim adjustment

 $D_i = (1 / (1 + discount factor))^{(i / 12)}$ 

Discount factor = ((1 + 4.5% Valuation Rate) / (1 + COLA)) - 1

#### Notes:

- It is assumed that the cost of care increase 5% per year starting from the issue date. Salvage adj(t=0) is 0.75 at issue for comprehensive, 0.9 for Nursing Home, and 1 for indemnity. The subsequent salvage factors are calculated by Min(1.05^t / COLA Increase \* Salvage Adj(t=0), 1). 5% compound COLA gets a constant 0.75 salvage factor.
- An attained Age incidence rate varies for gender, marital status, age, and also Comprehensive or Nursing Home.
- Claim Incidence is adjusted for benefit period. Lifetime Benefit period is 1.15 X base, while non-lifetime is 0.85 X base.
- Continuous Claim Adjustments remove those who are already on claim from the exposure pool.
- Discount factor discounts the future claim payment to incurred date using a 4.5% valuation rate, but also increase the future claim cost due to COLA increases during the claim period.

#### **Actual to Expected Loss Ratio**

Actual to expected ratio is over 100% largely because the original adjusted claim cost in earlier policy duration is lower than our experience. Current best estimate claim cost is slightly better than the ultimate claim cost (w/o UW selection factor) assumed in original pricing up to age 80, but then deteriorates afterwards. Allianz is seeing an increase in actual to expected loss ratio as our policyholders age. Please see the next section for a detailed explanation of the assumption changes from the earliest policies priced in the early 1990s to the 2003 Generation Protector product.

Actual to expected loss ratio:

|      | по спрестей в |            |       |                 |                   |            |       |
|------|---------------|------------|-------|-----------------|-------------------|------------|-------|
|      |               |            |       |                 |                   |            |       |
|      | Earned        | Incurred   | Loss  | Expected Earned | Expected Incurred | Expected   | A/E   |
| Year | Premium*      | Claims*    | ratio | Prem            | Claims            | Loss Ratio | Ratio |
| 2003 | 885,277       | 0          | 0%    | 885,277         | 14,888            | 2%         | 0%    |
| 2004 | 16,766,116    | 428,467    | 3%    | 16,763,703      | 290,951           | 2%         | 147%  |
| 2005 | 39,755,486    | 1,306,365  | 3%    | 39,543,028      | 846,689           | 2%         | 153%  |
| 2006 | 62,164,342    | 4,278,173  | 7%    | 61,478,119      | 1,652,080         | 3%         | 256%  |
| 2007 | 71,302,322    | 4,267,442  | 6%    | 69,769,133      | 2,542,852         | 4%         | 164%  |
| 2008 | 71,830,635    | 7,030,633  | 10%   | 69,364,694      | 3,534,313         | 5%         | 192%  |
| 2009 | 70,268,662    | 7,250,441  | 10%   | 67,256,151      | 4,710,088         | 7%         | 147%  |
| 2010 | 68,537,409    | 8,556,181  | 12%   | 64,917,996      | 6,065,504         | 9%         | 134%  |
| 2011 | 67,078,462    | 9,452,457  | 14%   | 62,559,862      | 7,536,697         | 12%        | 117%  |
| 2012 | 65,957,083    | 14,947,980 | 23%   | 60,189,060      | 9,090,609         | 15%        | 150%  |
| 2013 | 64,743,967    | 18,446,432 | 28%   | 57,806,002      | 10,703,769        | 19%        | 154%  |

### Assumptions changes from the earliest policies priced in the early 1990s to the 2003 Generation Protector

Allianz first LTC product was sold in the early 90s, there were limited LTC experience data at the time especially regarding morbidity, one of the most comprehensive studies available to the industry and Allianz is the National Nursing Home Survey (NNHS) data. Allianz, with the help of reinsurance and consultants made adjustments to the morbidity data to account for underwriting along with product design.

For our Generation Protector Product priced in the early 2000s, Morbidity and claim costs were provided by Milliman based on their internal long term care guidelines. These guidelines have been developed by several Milliman offices and reflect actual experience of various carriers, numerous studies of non-insurance data and judgment.

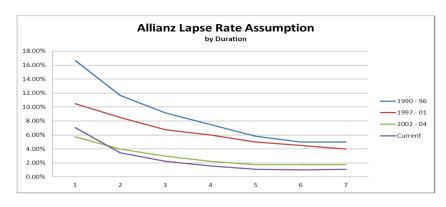
Claim costs are adjusted to reflect:

- Underwriting and issue criteria
- Continuing Claim Adjustment (Reduced exposure for insureds already in the nursing home)
- Waiver of premium benefits
- Salvage
- Morbidity Improvement

• Other additional and optional benefits



Lapses and mortality was also updated with company and industry experience:





**Onbase Topsheet** 

| Prepared by          | Tammy Smasal   |
|----------------------|----------------|
| Date of Announcement | 08/04/2006     |
| Line of Business     | Long Term Care |

| tate to AA   | Teah. | 8 15 2004 |
|--------------|-------|-----------|
| Scanned by   |       | _         |
| Date scanned |       | _]        |
| Date QR'd    |       |           |

| Line of Business  | Long Term Care                 |
|-------------------|--------------------------------|
| Product Name      | Generation Protector II/Select |
| Product Name      |                                |
| State (2 letters) | VA                             |

| Check Filed Forms | Form Numbers     | State Specific |
|-------------------|------------------|----------------|
| х                 | 11-P-Q           | -VA            |
| Х                 | 11-PS-Q          |                |
| x                 | 11-OC-Q-FULL     | -VA            |
| X                 | 11-OC-Q-SIMP     | -VA            |
| x                 | 11-OC-Q-SEL-FULL | -VA            |
| х                 | 11-OC-Q-SEL-SIMP | -VA            |
| х                 | 11-A-FULL        | -VA            |
| х                 | 11-A-SIMP        | -VA            |
| x                 | 11-A-SEL-FULL    |                |
| х                 | 11-A-SEL-SIMP    | -VA            |
| X                 | 11-R1            |                |
| х                 | 11-R2            |                |
| Х                 | 11-R3            |                |
| Х                 | 11-R4            |                |
| X                 | 11-R5            |                |
| x                 | 11-R6            |                |
| X                 | 11-R7            |                |
| Х                 | 11-R8            |                |
| Х                 | 11-R9            |                |
| x                 | 11-R10           |                |
| Х                 | 11-R11           |                |
| х                 | 11-R12           |                |
| x                 | 11-R13           |                |
| X                 | 11-R14           |                |
| х                 | 11-R15           |                |
| x                 | 11-R16           |                |
| x                 | 11-E-1           |                |
| X                 | 11-CB            |                |
| x                 | 11-CPG           |                |
| х                 | 11-CB-SEL        |                |
| X                 | 11-CB-EMP        |                |
| х                 | 0-SCB3           |                |
| X                 | 0-M91            |                |
| х                 | 11-ILL           |                |
| х                 | 11-ILL-SEL       |                |

|   | PAPER FILING             | Comments               |   |
|---|--------------------------|------------------------|---|
| x | SERFF FILING             | No filing fee required |   |
|   | ITEMS IN FILING          |                        | ] |
| Х | Actuarial Memorandum     |                        | ŀ |
| Х | Statement of Variability |                        | j |
| Х | Emails                   |                        |   |
|   | Check copy               |                        | 1 |
|   | EFT request              |                        |   |
| Х | Confidential Approval    |                        |   |
| Х | Variations Document      |                        |   |



Tammy Smasal/allianzlife 08/04/2006 09 00 AM To Barb Quello/allianzlife@AZLIFE

Jason Linn/allianzlife@AZLIFE, Rose

Tibke/allianzlife@AZLIFE, Jason

Gerhardt/ailianzlife@AZLIFE, Jill Reeck/allianzlife@AZLIFE, Patricia Evans/allianzlife@AZLIFE

bcc

Subject Confidential Approval Announcement - Virginia - GenPro

II/Select



Tammy Smasal Senior Compliance Analyst Policy Forms Filing Compliance

#### Confidential Announcement

| Product Name 😁 -                      | Generation Protector II/Select           |            |
|---------------------------------------|--|------------|
| Project Name . , s                    |  |            |
|                                       |  | Attachment |
|                                       |  | below      |
| State                                 | Virginia                                 |            |
| Policy Shell                          | 11-P-Q-VA                                | yes        |
| Policy Schedule page                  | Generic (11-PS-Q)                        |            |
| Approval Date                         | 7/26/2006                                |            |
| Vanations                             | yes                                      | yes        |
| Application Packet                    |  |            |
| Applications (GenPro II)              | 11-A-FULL-VA, 11-A-SIMP-VA               | yes        |
| Applications (GenPro Select)          | 11-A-SEL-FULL-VA, 11-A-SEL-SIMP-VA       | yes        |
| Outlines of Coverage (GenPro II)      | 11-OC-Q-FULL-VA, 11-OC-Q-SIMP-VA         | yes        |
| Outlines of Coverage (GenPro Select)  | 11-OC-Q-SEL-FULL-VA, 11-OC-Q-SEL-SIMP-VA | yes        |
| Personal Worksheet                    | W\$1                                     |            |
| Potential Rate Increase Disclosure    | Generic (PRD)                            |            |
| Notice of Disclosure                  | Genenc (0-C4)                            |            |
| Things You Should Know                | Genenc (0-C5)                            |            |
| Important Notice                      | Generic (0-C6)                           |            |
| Conditional Premium Receipt           | Generic (CPR)                            |            |
| Replacement Form                      | Generic (RPL)                            |            |
| HIPAA Health Information              | Generic (NB3046-WS)                      |            |
| Add'l State Specific App Packet Forms | None                                     |            |
| A d dt - I                            |  |            |

#### Advertising

Consumer Brochure (GenPro II) 11-CB Consumer Product Guide (GenPro II) 11-CPG Consumer Brochure (GenPro Select) 11-CB-SEL Consumer Brochure (Employer-Simp U/W) 11-CB-EMP Consumer Brochure (Genenc) 0-SCB3 Consumer Advertisement (Genenc) 0-M91

Illustration (GenPro II) Generic (11-ILL) Illustration (GenPro Select) Generic (11-ILL-SEL)

#### Riders and Endorsements

All Genenc

#### Rates

Genenc

#### Attachments



VA guide doc











7.10

Ja/00













VA compare doc



To Tammy Smasal/allianzlife@AZLIFE

CC Brandi Dries/allianzlife@AZLIFE

bcc

Subject Re VA GenPro II/Select €

Neither rates nor commissions are state specific

Kathy Ignagni, ASA, MAAA Assistant Actuary | Allianz Life 763 765 6297 800 328 5600x36297

Tammy Smasal/allianzlife



Tammy Smasal/allianzlife 08/01/2006 03 14 PM

To Kathy Ignagnı/allıanzlıfe@AZLIFE, Brandı Dries/allıanzlıfe@AZLIFE

CC

Subject VA GenPro II/Select

I just received an approval on VA GenPro II/Select and am preparing the confidential approval Does VA have state-specific rates or commissions? Let me know Thanks, Tammy Smasal Senior Compliance Analyst Policy Forms Filing Compliance

#### Long Term Care Insurance

#### <u>VIRGINIA</u>

#### Generation Protector II/Select

#### REQUIREMENTS FOR VIRGINIA

#### Policy Assembly

- Guaranty Association Notice NB2199 (Rev 01/01) must be included in policy assembly
- Complaint Notice NB3020N must be included in policy assembly

#### **Policy**

- The tax-qualified statement on the face page was revised to read as follows "This Contract is intended to
  qualify for favorable federal tax treatment. As such, it must meet certain federal standards, in addition to
  all applicable standards in the state in which this Contract was issued or issued for delivery. If you have
  any questions regarding the tax qualifications of this Contract, you should direct such questions to the
  appropriate federal agency, or you should contact your tax advisor."
- The "Check Your Application" provision on the face page was revised to add the following language "This Contract may not apply when you have a claim! Please Read!"
- All references to "Adult Day Services" were replaced with "Adult Day Care Services"
- The "Eligible Facility Care Expenses" provision under the Facility Care Benefit section was revised to add the following paragraph "In addition to the information described in the Claim Procedures section of this Contract, Nursing Facilities and/or Assisted Living Facilities must also provide the following items
  - (a) Proof of Nursing Facility or Assisted Living Facility licensure, certification, or accreditation if required under state law, and
  - (b) Copies of invoices or statements that document dates of confinement and charges"
- As a result of the above added paragraph, the "Proof of Loss for Facility Care Benefits" provision under the Facility Care Benefit section was deleted
- The "Eligible Home and Community Care Expenses" provision under the Home and Community Care
  Benefit section was revised to add the following paragraph "In addition to the information described in
  the Claim Procedures section of this Contract, Home and Community Care providers must also provide
  the following items
  - (a) Proof of Home and Community Care provider's licensure, certification, or accreditation, if required under state law,
  - (b) Copies of invoices or statements that document dates of service and hours of care each day,
  - (c) Copies of daily notes or nursing flow sheets, and

With respect to independent providers who are employed by you, we must also receive copies of your cancelled checks for payment of caregiver services "

- As a result of the above added paragraph, the "Proof of Loss for Home and Community Care Benefits" provision under the Home and Community Care Benefit section was deleted
- The "Claim Form" provision under the Claim Procedures section was revised to state that "you may file
  the Proof of Loss without our Claim Form by sending us a letter which described the nature and extent of
  your loss" rather than "the character and extent of your Chronic Illness". In addition, the items with
  respect to what the letter should include were deleted.
- The "Proof of Loss" provision under the Claim Procedures section was revised to delete that the Proof of
  Loss should include "any applicable statements and bills for covered care services which include the date,
  nature, and charges for all services". In addition, this provision was revised to state that "Proof of Loss
  must be given to us no later than one year from the time specified" rather than "one year from the date."

Proof of Loss would have otherwise been required "Lastly, to verify that the insured is eligible to receive benefit payments, we may only also require a physician's statement and/or copies of relevant medical records. Language with respect to "personal interviews" and "any other proof we may deem necessary" was deleted.

- The "Continued Proof of Loss" provision under the Claim Procedures section was revised to state that "Continued Proof of Loss must be given to us no later than one year from the time specified" rather than "one year from the date Continued Proof of Loss would have otherwise been required." In addition, at our expense, we may only also require a physician's statement and/or copies of relevant medical records Language with respect to "personal interviews" and "any other proof we may deem necessary" was deleted.
- The "Claim Appeal Procedure" provision under the Claim Procedures section was revised to add that the written request should be sent to us at the address shown on the first page of the policy
- The following "Payor of Last Resort" provision was added under the Claim Procedures section "The Department of Medical Assistance will be the Payor of Last Resort"
- The "Return of Unearned Premium" provision under the General Policy Provisions section was split into two provisions titled "Return of Unearned Premium Upon Cancellation or Termination" and "Return of Unearned Premium Upon Death"

The "Return of Unearned Premium Upon Cancellation or Termination" provision reads as follows "Upon Cancellation or Termination, we will return to you any unearned premium for this Contract within 30 days of the effective date of such Cancellation or Termination The effective date of the Cancellation is the later of

- (a) the date we receive your written request to Cancel this Contract in our home office, or
- (b) a later date specified in your written request to Cancel this Contract

The earned premium will be computed on a pro rata basis "

The "Return of Unearned Premium Upon Death" provision reads as follows "Upon your death, we will return any unearned premium for this Contract to your Beneficiary within 30 days of receipt of proof of your death. The earned premium will be computed on a pro rata basis."

• The "Immediate Family Member" definition under the Glossary section was revised to delete "common law marriage" and "civil union"

#### **Policy Schedule**

Generic

#### Riders/Endorsements

Generic

#### Applications

#### All applications

- Question #1 under Section 3 Other insurance information was split into the following two questions
  - Do you have another long term care insurance policy or certificate in force (including a health services plan contract or a health maintenance organization contract)? If 'Yes,' list details below "
  - 2 Did you have another long term care insurance policy or certificate in force during the last 12 MONTHS? If 'Yes,' list details below "
- Question #4 under Section 3 Other insurance information was revised to add the following "If 'Yes,' what was the reason for the declination?"
- The "Agent must list" paragraph under Section 3 Other insurance information was moved to the Agent's statement
- Section 11 Your agreement and acknowledgement was revised to add the following after the "Caution" provision "The undersigned proposed insured(s) and agent certify that the proposed insured(s) has/have read, or that the agent has read to the proposed insured(s), the completed application and realizes that any false statement or misrepresentation in this application may result in loss of coverage under the policy"

#### 11-A-FULL-VA

- The "Ten Year Premium Payment Rider" option under Section 4 was revised to delete the following limitation "not available if over age 55"
- The "Paid Up at Age 65 Rider" option under Section 4 was revised to replace "age 55" with "age 54"
- The "Home and Community Care Monthly Benefit" option under Section 4 was revised to add a diamond in order to indicate that it is not available with the 100% Indemnity Benefit Option

# **Outlines of Coverage**

#### All outlines

- The tax-qualified statement was moved above the "Caution" provision and was revised to read as follows "THE CONTRACT IS INTENDED TO QUALIFY FOR FAVORABLE FEDERAL TAX TREATMENT As such, it must meet certain federal standards, in addition to all applicable standards in the state in which the Contract was issued or issued for delivery. If you have any questions regarding the tax qualifications of the Contract, you should direct such questions to the appropriate federal agency, or you should contact your tax advisor."
- The "Caution" provision on the face page was revised to add the following language "The Contract may not apply when you have a claim! Please Read!"
- The "Terms Under Which the Contract May Be Continued In Force or Discontinued," "Waiver of Premium Benefit," "Grace Period," and "Terms Under Which the Company May Change Premiums" provision were moved after the "Relationship of Cost of Care and Benefits" provision
- The "Terms Under Which the Contract May Be Returned and Premium Refunded" provision was revised to read as follows "If you are not satisfied with the Contract, you have 30 days to return it to us or the agent from whom it was purchased for a full refund of any premium you have paid. If the Contract is Cancelled by you or Terminated by us after 30 days, we will return to you any unearned premium for the Contract within 30 days of the effective date of such Cancellation or Termination. The effective date of the Cancellation is the date we receive your written Cancellation request or a later date specified in your written Cancellation request, whichever is later. Upon your death, we will return any unearned premium for the Contract to your Beneficiary, or to your estate if no Beneficiary has been designated, within 30 days of receipt of proof of your death."
- All references to "Adult Day Services" were replaced with "Adult Day Care Services"
- The following "Counseling and Assistance" provision was added under the Additional Features section
  "The Virginia Insurance Counseling and Assistance Program is available at Virginia Department for the
  Aging, 1600 Forest Avenue, Suite 102, Richmond, VA 23229, Aging Services Hotline 800/552-3402"

#### Advertisements

Generic

# FORMS APPROVED

| Form #              | Description of Form                                      | Approval Date |
|---------------------|--|---------------|
| 11-P-Q-VA           | TAX-QUALIFIED LONG TERM CARE INSURANCE POLICY            | 07/26/2006    |
| 11-PS-Q             | POLICY SCHEDULE  | 07/26/2006    |
| 11-OC-Q-FULL-VA     | OUTLINE OF COVERAGE FOR LTC: POLICY (GENPRO II)          | 07/26/2006    |
| 11-OC-Q-SIMP-VA     | OUTLINE OF COVERAGE FOR LTC1 POLICY (GENPRO II)          | 07/26/2006    |
| 11-OC-Q-SEL-FULL-VA | OUTLINE OF COVERAGE FOR LTC1 POLICY (GENPRO SELECT)      | 07/26/2006    |
| 11-OC-Q-SEL-SIMP-VA | OUTLINE OF COVERAGE FOR LTC1 POLICY (GENPRO SELECT)      | 07/26/2006    |
| 11-A-FULL-VA        | APPLICATION FOR GENPRO II LTC1                           | 07/26/2006    |
| 11-A-SIMP-VA        | APPLICATION FOR GENPRO II L1Ci                           | 07/26/2006    |
| 11-A-SEL-FULL-VA    | APPLICATION FOR GENPRO SELECT LTC1                       | 07/26/2006    |
| 11-A-SEL-SIMP-VA    | APPLICATION FOR GENPRO SELECT LTC1                       | 07/26/2006    |
| 11-R1               | 3% LIFETIME COMPOUND BENEFIT INCREASE RIDER              | 07/26/2006    |
| 11-R2               | 4% LIFETIME COMPOUND BENEFIT INCREASE RIDER              | 07/26/2006    |
| 11-R3               | 5% LIFETIME COMPOUND BENEFIT INCREASE RIDER              | 07/26/2006    |
| 11-R4               | TWO TIMES COMPOUND BENEFIT INCREASE RIDER                | 07/26/2006    |
| 11-R5               | SIMPLE BENEFIT INCREASE RIDER                            | 07/26/2006    |
| 11-R6               | PAID UP AT AGE 65 RIDER                                  | 07/26/2006    |
| 11-R7               | TEN-YEAR PREMIUM PAYMENT RIDER                           | 07/26/2006    |
| 11-R8               | WAIVER OF HOME & COMMUNITY CARE ELIMINATION PERIOD RIDER | 07/26/2006    |
| 11-R9               | COVERAGE ENHANCEMENT RIDER (FULL UNDERWRITING)           | 07/26/2006    |
| 11-R10              | FULL INDEMNITY BENEFIT RIDER                             | 07/26/2006    |
| 11-R11              | SPOUSAL SHARED CARE RIDER                                | 07/26/2006    |
| 11-R12              | SPOUSAL WAIVER OF PREMIUM RIDER                          | 07/26/2006    |
| 11-R13              | HOUSEHOLD DISCOUNT RIDER                                 | 07/26/2006    |
| 11-R14              | CONTINGENT BENEFIT UPON LAPSE RIDER                      | 07/26/2006    |
| 11-R15              | INTERNATIONAL COVERAGE BENEFIT RIDER                     | 07/26/2006    |
| 11-R16              | COVERAGE ENHANCEMENT RIDER (SIMPLIFIED UNDERWRITING)     | 07/26/2006    |
| 11-E-1              | FACILITY CARE ONLY POLICY ENDORSEMENT                    | 07/26/2006    |
| 10-R8-VA            | SHORTENED BENEFIT RIDER                                  | 10/22/2003    |
| 10-R17              | MARRIED DISCOUNT RIDER                                   | 10/22/2003    |
| 10-R18              | SPOUSAL DISCOUNT RIDER                                   | 10/22/2003    |
| 10-R21              | SPOUSAL SURVIVORSHIP RIDER                               | 10/22/2003    |
| 11-CB               | CONSUMER BROCHURE (GENPRO II)                            | 04/26/2006    |
| 11-CPG              | CONSUMER PRODUCT GUIDE (GENPRO II)                       | 04/26/2006    |
| 11-CB-SEL           | CONSUMER BROCHURE (GENPRO SELECT)                        | 04/26/2006    |
| 11-CB-EMP           | CONSUMER BROCHURE (SIMPLIFIED UNDERWRITING)              | 04/26/2006    |
| 0-SCB3              | CONSUMER BROCHURE (GENERIC)                              | 04/26/2006    |
| 0-M91               | CONSUMER ADVERTISEMENT (GENERIC)                         | 04/26/2006    |
| 11-ILL              | ILLUSTRATION (GENPRO II)                                 | 04/26/2006    |
| 11-ILL-SEL          | ILLUSTRATION (GENPRO SELECT)                             | 04/26/2006    |

#### Transmittal Header SERT-6L7NDC243/00-00/00-00/00

# Transmittal Header

SERT-6L7NDC243/00-00/00-00/00 Created by Tammy Smasal on 01/19/2006 Assigned To Mary Ann Mason, Bob Grissom,

[Receiver]

Company List Allianz Life Insurance

Company publicAccess No value

Sent 01/19/2006 03 57 53 PM

Other Authors None

TOI LTC03I Individual Long Term Care

SubTOI LTC03I 001 Qualified

Filing Information:

Filing Action

Initial

Filing Date

01/19/2006

State

Type of

Virginia

State Instance Identifier

None

State Domain

None

Filing Type

Form/Endorsement/Application/Rate

Insurance Product Name LTC031 Individual Long Term Care

Sub TOI

LTC03I 001 Qualified

Generation Protector

II (11-P-Q)

Implementation

None

Effective Date

None

Date Requested

Requested

Project Name

Generation Protector

Project #

11-P-Q

II

Fee Required Reference

No No

Fee Amount

Reference Org

None

Filing

Reference #

None

Advisory Org

None

Circular#

Components sent originally with filing

SERT-6L7NDC243/00-01/00-00/00

SERT-6L7NDC243/00-02/00-00/00

SERT-6L7NDC243/00-03/00-00/00

SERT-6L7NDC243/00-04/00-00/00

SERT-6L7NDC243/00-0 5/00-00/00 SERT-6L7NDC243/00-06/00-00/00

SERT-6L7NDC243/00-07/00-00/00

SERT-6L7NDC243/00-08/00-00/00

SERT-6L7NDC243/00-09/00-00/00

SERT-6L7NDC243 /00-10/00-00/00

SERT-6L7NDC243/00-11/00-00/00

SERT-6L7NDC243/00-12/00-00/0 0 SERT-6L7NDC243/00-13/00-00/00

SERT-6L7NDC243/00-14/00-00/00

SERT-6L7N DC243/00-15/00-00/00

SERT-6L7NDC243/00-16/00-00/00

SERT-6L7NDC243/00-17/00 -00/00

SERT-6L7NDC243/00-18/00-00/00

SERT-6L7NDC243/00-19/00-00/00

SERT -6L7NDC243/00-20/00-00/00

SERT-6L7NDC243/00-21/00-00/00

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

| Filing Company Info Contact Info |  | ] |
|----------------------------------|--|---|
|----------------------------------|--|---|

# Transmittal Header SERT-6L7NDC243/00-00/00-00/00

Allianz Life Insurance Company of North America

5701 Golden Hills Drive, Minneapolis, MN

55416-1297 USA

Phone 800 328 5601 FAX: 763 582 6495 CoCode: 90611 Group Code 000 FEIN:

41-1366075

State of Domicile Minnesota State ID Number None

Tammy Smasal

Senior Compliance Analyst

Allianz Life Insurance Company of North

5701 Golden Hills Drive, Minneapolis, MN

55416-1297 USA

Phone: 800-328-5601 x32804 FAX.

763-582-6495

EMail: tammy smasal@allianzlife com

#### **Submission Requirements:**

Status

Requirement

Bypassed

LH Certification of Compliance

Bypassed Satisfied Satisfied

LHForms Listing LHPolicy Forms LH Application

Bypassed LHRate Listing

Satisfied LHActuarial Memorandum LHReadability - Health Satisfied

# Tracking Information:

Company Tracking

State Tracking #

7/26102

Company Status

None

None

State Status

Approved

Date Company Status Changed None

Date State Status Changed

None

SERFF Tracking

SERT-6L7NDC243/00

07/26/2006

Delivery Date

01/19/2006 04 16 31 PM

SERFF Status Date SERFF

Closed - Approved

Disposition Date Implementation Date 07/26/2006 None

Status Changed

Deemer Date 02/19/2006

Effective Date

None

Reviewers

Mary Ann Mason, Bob Grissom, [Receiver]

#### Additional State Tracking Numbers

Allianz Life Insurance Company

of North America

7/26102

#### State-Specific Fields:

NAIC Number\*

90611

Company Name\*

Allianz Life Insurance Company of North America

Line of

Health

Line of Insurance

Long Term Care

Authority\*

Lead Form

11-P-Q-VA

**PCNew Policy** 

N/A

Number

PCPolicy Renewal N/A Effective Date Filer 'sName

Tammy Smasal

Date

Was Checklist Used?

Filer's Phone Number

800-328-5601 X32804

Yes/No

Yes

Filing Description: None

File

None

Attachments:

2

# Problem Report SERT-6L7NDC243/00-00/00-01/00

# **Problem Report**

Report Type Problem Report Filing Originally Sent 01/19/2006 03 57 53

Created by Mary Ann Mason on 02/13/2006 Sent 02/13/2006 12 26 37 PM

State Virginia Response To TransmittalHeader

SERFF Tracking Response To SERT-6L7NDC243/00-00/00-01/00 SERT-6L7NDC243/00-00/00-00/00

SERFF Tracking No

No Allianz Life Insurance Company Allianz Life Insurance Company of North America Company of North America

Product Name Project Name Generation Protector II Generation Protector II

(11-P-Q)

Filing Date 01/19/2006 03 57 53 PM Project No 11-P-Q

State Tracking No 7/26102 Company Tracking None

TOI LTC03I Individual Long Sub TOI

Term Care

**SERFF Status** Report Status Incomplete Filing None 02/13/2006 Reviewer Phone No Status Effective None

Date

LTC03I 001 Qualified

#### Report Information: Problem Report

No problem descriptions

Lead Company

Applies to CH 01/00 - LHCertification of Complianc

Components CH 02/00 - LHForms Listing

CH 03/00 — LHPolicy Forms CH 04/00 — LH Application CH 05/00 - LHRate Listing

CH 06/00 — LHActuarial Memorandum CH 07/00 -- LHReadability - Health CH 08/00 - Uniform Transmittal Document

CH 09/00 - Cover Letter

CH 10/00 - 3% Lifetime Compound Benefit I CH 11/00 -- Paid Up at Age 65 Rider, et al CH 12/00 — Waiver of HCC Elimination Peri CH 13/00 — Coverage Enhancement Rider CH 14/00 -- Full Indemnity Benefit Rider CH 15/00 — Spousal Shared Care Rider, et CH 16/00 — Contingent Benefit Upon Lapse CH 17/00 - International Coverage Benefit CH 18/00 - Facility Care Only Policy Endo

CH 19/00 -- Outlines of Coverage CH 20/00 - Statement of Vanability

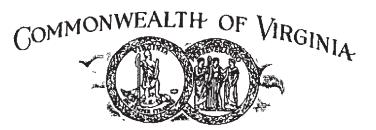
CH 21/00 - Personal Worksheet & Potential

Comments Please see attachment for status

Thanks

File Attachments: 7 26102 ltc policy and riders doc

ALFRED W GROSS COMMISSIONER OF INSURANCE



P O BOX 1157 RICHMOND, VIRGINIA 23218 TELEPHONE (804) 371-9741 TDD/VOICE (804) 371-9206 http://www.state.va.us/scc

# STATE CORPORATION COMMISSION BUREAU OF INSURANCE

February 13, 2006

VIA SERFF
ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA
1750 HENNEPIN AVENUE
MINNEAPOLIS, MN 55403
Attn TAMMY SMASAL
COMPLIANCE ANALYST

RE YOUR SUBMISSION DATED JANUARY 19, 2006 SERT-6L7NDC243/00-00/00-00/00 Submission No 007 0000026102 Form No 11-P-Q-VA, et al

Dear Ms Smasal

The above submission, received in this office on 01/19/06, is DISAPPROVED and may not be used in the Commonwealth of Virginia

One or more forms included within the submission were found to be in non-conformity with statutory, regulatory or administrative requirements as set forth below. All references to Section 38 2 apply to the Code of Virginia

Please include the definition of "adult day care" that is expressed in 14 VAC 5-200-50

All provisions that require the individual to submit proof of licensure, certification or accreditation of a facility must be removed. The individual is only responsible for submitting written proof of loss under Section 38 2-3503 7

The claim form provision (as well as the first paragraph in the proof of loss provision) is more restrictive than Section 38 2-3503 6 by requesting items other than a written statement as to the nature and extent of the loss

In the proof of loss and continued proof of loss provisions, the ending statement should be based on "no later than one year from the time specified" as in Section 38 2-3503 7. Also, proof of loss should be limited to "written proof of loss" and not personal interviews, assessments and any other proof you deem necessary.

Please include in the claim appeal procedure provision the location at which to send appeals or grievances

The return of unearned premium upon cancellation or termination provision is not presented for compliance with Section 38 2-5202 1

Common law marriage and civil unions are not defined in Virginia and the references should be removed.

The application does not include the certification by the agent and applicant that is required and expressed in Section 38 2-3402

In the application, the questions directed to the applicant must be separate and complete Please present the questions in accordance with 14 VAC 5-200-110 A 1 and 2

The question in the application with respect to a previous declination by another company must be accompanied by a request for the reasons for the previous adverse underwriting decision, as required in Section 38 2-611

The certification of compliance is not prepared for conformity with 14 VAC 5-100-40 3

The long term care insurance personal worksheet is reviewed for approval but the potential rate increase disclosure is not required to be filed or approved. Please show the worksheet in a separate component

Matters regarding the rate filing will be addressed under separate correspondence by Mr Robert Grissom

Should you need clarification of any of the information contained in this letter, please contact the undersigned Thank you for your courtesy and consideration in this matter

Yours Truly,

Mary Ann Mason, FLMI, AIE Senior Insurance Market Examiner Forms and Rates Section Life and Health Division Telephone No (804) 371-9348

# Disposition Report SERT-6L7NDC243/00-00/00-02/00

# Disposition Report

Report Type Disposition Report

Filing Originally Sent 01/19/2006 03 57 53

Created by Mary Ann Mason on 07/26/2006

Sent 07/26/2006 07 05 17 AM

State

SERFF Tracking

Virginia SERT-6L7NDC243/00-00/00-02/00 Response To **FransmittalHeader** SERT-6L7NDC243/00-00/00-00/00

Response To SERFF Tracking

No

Lead Company Allianz Life Insurance

Company of North America

Company

Product Name

Generation Protector II

Project Name (11-P-O)

01/19/2006 03 57 53 PM Filing Date

Allianz Life Insurance

Company of North America Generation Protector II

Project No

11-P-Q

State Tracking No

7/26102

Company Tracking

None

TOI

LTC03I Individual Long

Term Care

Sub TOI

LTC03I 001 Qualified

Disposition

Approved

Reviewer Phone No None SERFF Status

None

No disposition descriptions

Disposition

Disposition Date

Approved 07/26/2006

Effective Date

None

Type

Effective Date

None None

Implementation

Date

02/19/2006

Deemer Date Comments

Forms and rates are approved for use in Virginia as of 7/26/06

Thanks

#### Applies to Components

CH 01/00 - LHCertification of Complianc

CH 02/00 --- LH Forms Listing

CH 03/00 — LHPolicy Forms

CH 04/00 — LH Application

CH 05/00 — LHRate Listing

CH 06/00 — LHActuarial Memorandum

CH 06/01 -- LHActuarial Memorandum

CH 07/00 --- LH Readability -- Health

CH 08/00 — Uniform Transmittal Document

CH 09/00 - Cover Letter

CH 10/00 -- 3% Lifetime Compound Benefit I

CH 11/00 - Paid Up at Age 65 Rider, et al

CH 12/00 — Waiver of HCC Elimination Peri

CH 13/00 — Coverage Enhancement Rider CH 14/00 — Full Indemnity Benefit Rider

CH 15/00 - Spousal Shared Care Rider, et

CH 16/00 - Contingent Benefit Upon Lapse

CH 17/00 -- International Coverage Benefit

# Disposition Report SERT-6L7NDC243/00-00/00-02/00

```
CH 18/00 — Facility Care Only Policy Endo
CH 19/00 — Outlines of Coverage
CH 20/00 — Statement of Variability
CH 21/00 — Personal Worksheet & Potential
CH 22/00 —
CH 23/00 —
CH 23/01 —
CH 24/00 —
CH 24/00 —
CH 25/00 —
CH 26/00 —
CH 27/00 —
CH 28/00 —
CH 29/00 —
CH 29/01 —
CH 29/01 —
CH 30/00 — Addendum to Actuarial Memorand
```

File Attachments: None

### Component Header SERT-6L7NDC243/00-01/00-00/00

# **Component Header**

Component 01 - Rev 00

Sent 01/19/2006 03 57 53 PM

Created by Tammy Smasal on 01/19/2006 Assigned To Mary Ann Mason, Bob Grissom, Other Authors None TOI LTC031 Individual Long Term Care

[Receiver]

Company List Allianz Life Insurance Company

SubTOI LTC03I 001 Qualified

**Tracking Information:** 

Virginia

State Tracking #

7/26102

Received

SERFF Tracking # Component Status

SERT-6L7NDC243/00-01/00-00/00

Component Status (State)

&Acknowledged

(SERFF)

Assigned to Reviewer

Disposition Date

None

Delivery Date

01/19/2006 04 16 31 PM

Implementation

Reviewer

Mary Ann Mason, Bob Grissom,

Date

Deemer Date

None

Reviewer Phone

[Receiver] None

Effective Date Requirement

None None Bypassed

Reviewer Fax Primary Reviewer None None

Status Reason

N/A Uniform Transmittal Document attached under CH08

Component Information:

Component Type Lead Form Number Form

Component Action State Specific Code Initial None

Form Title Readability Score

None see cert

11-P-Q-VA

Company Form Number Replaces Form

None N/A

Number

Requirement

LHCertification of Compliance

Satisfied

None

Filer's Notes Document(s)

Brief Description

None None

**Company Contact:** 

Lead Company

Alhanz Life Insurance Company of North America

Company Information

Contact

Allianz Life Insurance Company of North

Smasal, Tammy

America

File Attachments

None

Component Header SERT-6L7NDC243/00-02/00-00/00

# **Component Header**

Component 02 - Rev 00

Sent 01/19/2006 03 57 53 PM

Created by Tammy Smasal on 01/19/2006

Other Authors None

Assigned To Mary Ann Mason, Bob Grissom,

TOI LTC031 Individual Long Term Care

[Receiver]

Company List Allianz Life Insurance Company

SubTOI LTC03I 001 Qualified

Tracking Information:

State

Virginia

State Tracking # Component Status 7/26102

Received

SERFF Tracking # Component Status

SERT-6L7NDC243/00-02/00-00/00

(State)

&Acknowledged

(SERFF)

Assigned to Reviewer

Disposition Date

None

Delivery Date

01/19/2006 04 16 32 PM

Implementation

None

Reviewer

Mary Ann Mason, Bob Grissom, [Receiver]

Date

Deemer Date None

Reviewer Phone Reviewer Fax

None None

Effective Date Requirement

None Bypassed

Primary Reviewer

None

Status

N/A Uniform Transmittal Document attached under CH08 Reason

Component Information:

Component Type

Form Lead Form Number 11-P-O-VA Form Title None Readability Score

Component Action State Specific Code Company Form Number

Initial None None N/A

Replaces Form Number

Requirement

Satisfied

LHForms Listing

see cert

Brief Description None Filer's Notes None Document(s) None

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

Company Information

Contact

Allianz Life Insurance Company of North

Smasal, Tammy

America

File Attachments:

None

# Component Header SERT-6L7NDC243/00-03/00-00/00

# **Component Header**

Component 03 - Rev 00

Sent 01/19/2006 03 57 53 PM

Created by Tammy Smasal on 01/19/2006

Other Authors None

Assigned To Mary Ann Mason, Bob Grissom,

TOI LTC031 Individual Long Term Care

[Receiver]

Company List Allianz Life Insurance Company

SubTOI LTC03I 001 Qualified

**Tracking Information:** 

Virginia 7/26102

State Tracking # Component Status

Disapproved

SERFF Tracking # Component Status

SERT-6L7NDC243/00-03/00-00/00

(State)

(SERFF)

Assigned to Reviewer

Disposition Date Implementation

None

Delivery Date

01/19/2006 04 16 32 PM

Date

None

Reviewer

Mary Ann Mason, Bob Grissom, [Receiver]

Deemer Date

None

Reviewer Phone

None None

Effective Date Requirement Status

None None Reviewer Fax Primary Reviewer

None

Component Information:

Component Type

11-P-Q-VA

Component Action State Specific Code Initial

Lead Form Number Form Title

Tax-Qualified LTC:

Company Form Number

None 11-P-Q-VA

Policy

Replaces Form

N/A

Readability Score see cert

Number

Requirement

Filer's Notes

Satisfied

LHPolicy Forms

Brief Description

Tax-Qualified LTC: Policy Also attached is form 11-PS-Q, the policy schedule

Document(s) None

Company Contact:

Lead Company

Allianz Life Insurance Company of North America

Company Information

Contact

Allianz Life Insurance Company of North

America

Smasal, Tammy

File Attachments: 11-P-Q-VA pdf, 11-PS-Q pdf

## Component Header SERT-6L7NDC243/00-04/00-00/00

# **Component Header**

Component 04 - Rev 00

Created by Tammy Smasal on 01/19/2006

Assigned To Mary Ann Mason, Bob Grissom,

Company List Allianz Life Insurance Company

Sent 01/19/2006 03 57 53 PM

Other Authors None

TOI LTC03I Individual Long Term Care

SERT-6L7NDC243/00-04/00-00/00

Assigned to Reviewer

Initial

None

N/A

[Receiver]

01/19/2006 04 16 34 PM

Mary Ann Mason, Bob Grissom,

11-A-FULL, et al

SubTOI LTC03I 001 Qualified

**Tracking Information:** 

State

Virginia 7/26102

Disapproved

State Tracking # Component Status

Effective Date

Requirement

(State)

Disposition Date Implementation

Date Deemer Date None

None

None None None SERFF Tracking #

Component Status

(SERFF) Delivery Date

Reviewer

Reviewer Phone Reviewer Fax Primary Reviewer

Component Action

State Specific Code

Replaces Form

Number

Company Form Number

None None None

Status

Component Information:

Component Type

Lead Form Number

Form Title Readability Score

Requirement

Satisfied

11-P-Q-VA Application for LTCi

see cert

LHApplication

Brief Description

Application for LTC1 Filer's Notes None Document(s) None

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

Company Information

File Attachments

Allianz Life Insurance Company of North

America

Contact

Smasal, Tammy

11-A-FULL pdf, 11-A-SIMP (rev) pdf, 11-A-SEL-FULL (rev) pdf,

11-A-SEL-SIMP (rev) pdf

1

### Component Header SERT-6L7NDC243/00-05/00-00/00

# **Component Header**

Component 05 - Rev 00

Created by Tammy Smasal on 01/19/2006

Assigned To Mary Ann Mason, Bob Grissom,

Company List Allianz Life Insurance Company

Sent 01/19/2006 03 57 53 PM

Other Authors None

TO1 LTC031 Individual Long Term Care

SubTOI LTC03I 001 Qualified

**Tracking Information:** 

Virginia

State Tracking # Component Status 7/26102

Received

&Acknowledged

Disposition Date None Implementation None

Date

(State)

Deemer Date

Effective Date Requirement

None

None

Bypassed

SERFF Tracking #

Component Status

(SERFF)

Assigned to Reviewer

Delivery Date Reviewer

Reviewer Fax

Mary Ann Mason, Bob Grissom, [Receiver]

Reviewer Phone None None Primary Reviewer

None

Status

Reason

N/A Uniform Transmittal Document attached under CH08

**Component Information:** 

Component Type Lead Form Number

Form Title Readability Score Form 11-P-Q-VA None

see cert

Component Action State Specific Code

Company Form Number Replaces Form

Initial None None N/A

SERT-6L7NDC243/00-05/00-00/00

01/19/2006 04 16 34 PM

Number

Requirement

Satisfied

Brief Description Filer's Notes Document(s)

LHRate Listing

None None None

**Company Contact:** 

Lead Company

Alhanz Life Insurance Company of North America

**Company Information** 

Allianz Life Insurance Company of North

America

Contact

Smasal, Tammy

File Attachments:

None

À.

### Component Header SERT-6L7NDC243/00-06/00-00/00

# **Component Header**

Component 06 - Rev 00

Sent 01/19/2006 03 57 53 PM

Created by Tammy Smasal on 01/19/2006

Other Authors None

Assigned To Mary Ann Mason, Bob Grissom,

TOI LTC03I Individual Long Term Care

[Receiver]

Company List Allianz Life Insurance Company

SubTOI LTC03I 001 Qualified

**Tracking Information:** 

State

Virginia

State Tracking #

7/26102

SERFF Tracking # Component Status

SERT-6L7NDC243/00-06/00-00/00

Component Status

Disapproved

(SERFF)

Pending Industry Response

(State) Disposition Date

None

Delivery Date

01/19/2006 04 16 35 PM

Implementation

Mary Ann Mason, Bob Grissom,

Date

None

Reviewer

[Receiver]

Deemer Date Effective Date None None Reviewer Phone Reviewer Fax

None None None

Requirement Status

None

Primary Reviewer

**Component Information:** 

Component Type

Supporting

Component Action

State Specific Code

Initial

None

Documentation 11-P-Q-VA

Lead Form Number

LHActuarial Memorandum

Requirement

Satisfied

Brief Description Filer's Notes

Actuarial Memorandum

Document(s)

None

None

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

Company Information

Contact

Allianz Life Insurance Company of North

Smasal, Tammy

America

File Attachments:

VA Actuarial Memorandum model reg pdf, VA Attachments Model Reg pdf

# Problem Report SERT-6L7NDC243/00-06/00-01/00

# **Problem Report**

Report Type Problem Report

Filing Originally Sent 01/19/2006 03 57 53

No

Created by Bob Grissom on 02/13/2006

Sent 02/13/2006 02 33 08 PM

State

Virginia

Response To Response To ComponentHeader

SERFF Tracking

SERT-6L7NDC243/00-06/00-01/00

SERFF Tracking

SERT-6L7NDC243/00-06/00-00/00

No

Lead Company

Allianz Life Insurance

Company of North America

(11-P-O)

Company

Allianz Life Insurance Company of North America

Product Name

Filing Date

Generation Protector II

Project Name

01/19/2006 03 57 53 PM

Project No

Generation Protector II

State Tracking No

7/26102

Company Tracking

TOI

LTC03I Individual Long

Sub TOI

LTC03I 001 Qualified

Report Status

Term Care Info has been requested

None

None

11-P-O

Reviewer Phone No

from company

SERFF Status Status Effective

02/13/2006

None

Date

# Report Information: Problem Report

No problem descriptions

Applies to Components

Comments

None

Pursuant to 14 VAC 5-200-77 B 2 b, please provide an explanation for supporting subdivision 2 a of this subsection, including (1) a description of the margin for moderately adverse experience that is

included in the premium rates, and (ii) a description of the testing of pricing assumptions that was done to support the conclusion that the filed premium rates are sustainable over the life of the form

Pursuant to 14 VAC 5-200-77 B 2 e (1), please be sure that the actuarial memorandum includes a complete description of the basis for contract reserves that are anticipated to be held under the form, including sufficient detail or sample calculations provided so as to have a complete depiction of the reserve amounts to be held

Please also be sure that the actuarial memorandum contains all information required by 14 VAC 5-200-77 B 3

Please call if you have any questions

Robert F Grissom

Senior Insurance Market Examiner

Forms and Rates Section Life and Health Division Telephone No (804) 371-9152

File Attachments: None

### Component Header SERT-6L7NDC243/00-06/01-00/00

# Component Header

Component 06 - Rev 01

Sent 01/19/2006 03 57 00 PM

Created by Tammy Smasal on 03/09/2006

Other Authors None

Assigned To Mary Ann Mason, Bob Grissom,

TOI LTC03I Individual Long Term Care

[Receiver]

Company List Allianz Life Insurance Company

SubTOI LTC03I 001 Qualified

**Tracking Information:** 

State

Date Deemer Date Virginia 7/26102

State Tracking # Component Status

Received

(State) Disposition Date Implementation

Effective Date

None

None

None

None

None

&Acknowledged

(SERFF) Delivery Date Reviewer

SERFF Tracking #

Component Status

Reviewer Phone Reviewer Fax Primary Reviewer

Component Action

State Specific Code

03/10/2006 10 29 36 AM Mary Ann Mason, Bob Grissom,

SERT-6L7NDC243/00-06/01-00/00

[Receiver]

Resubmitted

None

None

None

None

Viewed by State

Requirement Status

Component Information:

Component Type Lead Form Number

11-P-Q-VA

None

Rate/Manual Page # None LHActuarial Memorandum

Requirement

Satisfied

Response to 02/13/2006 Problem Report

Brief Description Filer's Notes

Please see the attached letter and revised actuarial memorandum in

response to your problem report dated 02/13/2006

Document(s)

**Company Contact:** 

Lead Company Allianz Life Insurance Company of North America

Company Information Allianz Life Insurance Company of North

Contact Smasal, Tammy

America

**File Attachments** 

VA GenPro II Act Response Letter pdf, VA Actuarial Memorandum model

reg2 pdf, VA Attachments Model Reg pdf

Allianz Life Insurance Company of North America 5701 Golden Hills Drive Minneapolis, MN 55416-1297



March 9, 2006

Robert Grissom State Corporation Commission, Bureau of Insurance Forms and Rates Section, Life and Health Division PO Box 1157 Richmond, VA 23218

RE: Our Submission Dated January 19, 2006

SERT-6L7NDC243/00 Submission No. 007 0000026102

Form No: 11-P-Q-VA, et al

Dear Mr Grissom

In response to your correspondence dated February 13, 2006, the following restates and addresses your concerns in the order they were presented

Pursuant to 14 VAC 5-200-77 B 2 b, please provide an explanation for supporting subdivision 2 a of this subsection, including (i) a description of the margin for moderately adverse experience that is included in the premium rates; and (ii) a description of the testing of pricing assumptions that was done to support the conclusion that the filed premium rates are sustainable over the life of the forms.

In accordance with 14 VAC 5-200-77 B 2 b (i), #1 under Section XIII Actuarial Certification of the Actuarial Memorandum has been revised to add the following description of the margin for moderately adverse experience that is included in the premium rates

"Premium rates which would apply without the margin for moderately adverse experience would be 8% lower than the premium rates shown in the attachments

The pricing assumptions used in developing these rates are based on our own company experience wherever possible. In particular, our persistency and expense assumptions are based on our own experience. We have relied on consultants to develop appropriate claim costs, but have validated these claim costs to other claim cost studies as well as to our own experience."

Please replace the Actuarial Memorandum under CH06/00 with this attached Actuarial Memorandum

In accordance with 14 VAC 5-200-77 B 2 b (ii), please refer to Sections X L and XII Moderately Adverse Experience of the Actuarial Memorandum for a description of the testing of pricing assumptions that was done to support the conclusion that the filed premium rates are sustainable over the life of the form

Pursuant to 14 VAC 5-200-77 B 2 e (1), please be sure that the actuarial memorandum includes a complete description of the basis for contract reserves that are anticipated to held under the form, including sufficient detail or sample calculations provided so as to have a complete description of the reserve amounts to be held. In accordance with 14 VAC 5-200-77 B 2 e (1), please refer to Section X H. Statutory Reserves of the Actuarial Memorandum for a description of the basis for contract reserves that are anticipated to held under the form. In addition, please refer to Attachments 3, 4, and 5 of the Actuarial Memorandum for sample reserve calculations.

Please also be sure that the actuarial memorandum contains all information required by 14 VAC 5-200-77 B 3. The Actuarial Memorandum has been reviewed against 14 VAC 5-200-77 B 3, and it addresses all of the requirements

To the best of our knowledge and belief, the above forms conform to all State Insurance Statutes, Regulations and Department requirements

Please do not hesitate to call me with any questions you may have at 800-328-5601, extension 32804 Thank you for your consideration

Sincerely,

Tammy Smasal
Sr Compliance Analyst
Product/Forms Filing Compliance
E-mail tammy\_smasal@allianzlife.com
Fax 763/582-6495

#### Actuarial Memorandum - Virginia

# Allianz Life Insurance Company of North America Tax-Qualified Long Term Care Insurance Policy (11-P-Q-VA Series)

#### I. PURPOSE OF MEMORANDUM

The purpose of this memorandum is to provide actuarial information supporting rates for Allianz' Individual Long Term Care Product and to demonstrate the reasonableness of benefits relative to premiums. This filing is not intended to be used for other purposes.

#### II MARKETING METHOD

Sales will be conducted by individual agents, who will sell primarily on an individual policy basis. Allianz will be offering this product with regular underwriting and with simplified underwriting. For regular underwriting, issue ages are 18 - 84 with the majority of policies expected to be issued to ages 50 - 70. For simplified underwriting, the issue ages are restricted to 18 - 65 with the majority of policies expected to be issued to ages 45 - 65.

#### III UNDERWRITING METHODOLOGY

#### REGULAR UNDERWRITING

Strict underwriting criteria are administered with frequent utilization of medical records, paramedical functional assessments, and personal history interviews. There are seven different underwriting classes, preferred plus, preferred, standard, and select I - IV. General criteria for these classes are as follows.

#### Preferred Plus

- Nonsmoker for the last 24 months (other tobacco use acceptable)
- · Weight is within 40% of average weight on height/weight chart
- Consultation with a physician within the last 18 months
- No history of treatment for serious health conditions
- Applicant may be receiving regular treatment of a preventative nature only, for example. High blood
  pressure that is kept in normal range (140/90) for at least two years with medication is acceptable, but
  cannot be in combination with heart disorders.

#### Preferred

- · Smoker in otherwise good health
- Weight is within 40% of average weight on height/weight chart
- Medical history of cardiac or circulatory disorder, diabetes, rheumatoid arthritis, cancer, or other health conditions which have an excellent prognosis

#### Standard and Select

- Under treatment for a serious health condition which requires close medical supervision (such as diabetes, ulcerative colitis, or emphysema)
- History of a combination of serious conditions (such as heart and lung disease, or rheumatoid arthritis with coronary artery disease)

#### SIMPLIFIED UNDERWRITING

Agents can offer this policy form to worksite groups using simplified underwriting if the group meets a minimum 5% participation rate and at least 10 applications approved. The target group will be companies with 50 - 250 employees. The application will have a limited number of yes/no insurability questions. There will be no attending physician statements or personal history interviews. All policies approved using simplified underwriting will be issued as the same rate class (standard). Allianz will track experience separately for the regularly underwritten versus simplified underwritten cohorts. To mitigate additional risk due to simplified underwriting, the following restrictions will be made.

Issue Ages 18-65

Benefit Period 2,3,4, or 5 years only Elimination Period 90, 180, or 365 days only

Daily Benefit \$50 - \$200 per day

Riders not available Ten-Year Premium Payment, Paid Up at Age 65, Full Indemnity Benefit, and Waiver

of Home and Community Care Elimination Period

Several pricing assumptions adjustments were also made to account for simplified underwriting - See Section X Actuarial Assumptions

### IV POLICY INFORMATION

This plan is a Guaranteed Renewable, Tax Qualified, Individual Long Term Care Product Premiums vary by issue age and are projected to be level for the duration of the policy, unless modified by the Ten-Year Premium Payment Rider or the Paid Up at Age 65 Rider Premium rates are guaranteed for the first five years of the policy

Several coverage options are available, and are detailed later in this memo-

- Various Maximum Benefit Periods
- Various Daily Benefit Amounts
- Various Elimination Periods
- Facility Care Plan with three Home and Community Care Benefit levels
- Separate rates for Preferred Plus, Preferred, Standard, and Select I IV classes
- Separate rates for spousal, married, living with someone whom also has an Allianz Life long term care contract, and single lives

In addition, several optional benefits and riders are available as described below

#### V ELIGIBILITY CRITERIA

To be eligible for benefits, the insured must be certified as

- being unable to perform without substantial assistance at least 2 ADLs and substantial assistance is
  expected to be required for a period of at least 90 continuous days due to a loss of functional capacity, or
- requiring substantial supervision to protect him or herself from threats to health and safety due to a severe cognitive impairment

The six ADLs are bathing, continence, dressing, eating, toileting, and transferring

#### VI. BENEFIT AMOUNT

Policies are available with a benefit period of 2, 3, 4, 5, or 8 years, or lifetime. The Maximum Lifetime Benefit is a single pool of money calculated as the Facility Care Daily Benefit times 365 times the benefit period (in years). The Facility Care Daily Benefit can vary from \$50 to \$500. The Home and Community Care Daily Benefit is 70, 100, or 130% of the Facility Care Daily Benefit.

#### VII. ELIMINATION PERIOD

Policies are available with an elimination period of 7, 30, 60, 90, 180, or 365 days. Each day of covered services counts toward the elimination period (days need not be consecutive). The elimination period must be satisfied only once for the life of the policy.

#### VIII. BASE POLICY BENEFITS

- A Facility Care Benefit Reimbursement of expenses incurred up to the Facility Care Daily Benefit for care provided in a nursing facility or assisted living facility. Benefits paid are deducted from the Maximum Lifetime Benefit.
- B Home and Community Care Benefit This benefit reimburses expenses incurred up to the Home and Community Care Daily Benefit for adult day services, home health care services, and hospice care

- services Home care includes professional nursing care, care by a home health aide, and therapeutic care. Benefits paid are deducted from the Maximum Lifetime Benefit.
- C Alternative Plan of Care Benefit This benefit provides for services or care not normally covered under other benefit provisions in the policy, for example, equipment purchases or rentals, or modifications to the home. Benefits paid are deducted from the Maximum Lifetime Benefit.
- D Bed Reservation Benefit If the insured temporarily leaves the care facility, this benefit will continue to pay the Facility Care Benefit as if they were still confined to that facility. This benefit is payable for a maximum of 60 days per calendar year. Benefits paid are deducted from the Maximum Lifetime Benefit.
- E Caregiver Training Benefit A one time benefit equal to five times the Facility Care Daily Benefit is available to reimburse expenses incurred for an informal caregiver to receive training to take care of the insured at home. The elimination period does not apply to this benefit, and benefits paid are deducted from the Maximum Lifetime Benefit.
- F Respite Care Benefit This benefit reimburses expenses incurred up to the Facility Care Daily Benefit, or Home and Community Care Daily Benefit, as appropriate, for short term care to relieve an informal caregiver. This benefit is available for up to 30 days per calendar year. The elimination period does not apply to this benefit, and benefits paid are deducted from the Maximum Lifetime Benefit.
- G Waiver of Premium Benefit If the insured is eligible to receive benefits, their premiums will be waived as they come due according to their mode of payment. This benefit does not reduce the Maximum Lifetime Benefit.
- H Care Coordination Advisor Benefit The insured may choose to utililize the services of a care coordination advisor to help determine and monitor their care. This service is not required to obtain benefits under the policy, and it will not reduce the Maximum Lifetime Benefit.

#### IX. OPTIONAL BENEFITS AND RIDERS

#### A NONFORFEITURE & DEATH BENEFITS

- Shortened Benefit Rider This rider provides the nonforfeiture benefit as adopted by the NAIC. If the policy has been in force for at least three years and lapses due to nonpayment of premiums, coverage will continue but the maximum benefit payable is limited to the total premiums paid for the contract, subject to a minimum of thirty times the Facility Care Daily Benefit. No further benefit increases will occur under any inflation protection rider, if attached to the policy.
- 2 Return of Premium Upon Death Option At the death of the insured, this benefit pays an amount equal to the total premium paid less benefits paid
- 3 Full Return of Premium Upon Death Option At the death of the insured, this benefit pays an amount equal to the total premium paid
- 4 Contingent Benefit Upon Lapse This benefit is provided (without charge) if the Shortened Benefit Rider is not chosen. If the cumulative premium increase is considered substantial, the insured has the option to convert the coverage to a paid-up status with a shortened benefit period.

### B INFLATION PROTECTION (only one benefit in this section may be elected)

- 3% Lifetime Compound Benefit Increase Rider This inder increases the daily benefit and remaining lifetime benefit by 3%, compounded annually increases are made regardless of claim status.
- 2 4% Lifetime Compound Benefit Increase Rider This rider increases the daily benefit and remaining lifetime benefit by 4%, compounded annually. Increases are made regardless of claim status.
- 3 5% Lifetime Compound Benefit Increase Rider This rider increases the daily benefit and remaining lifetime benefit by 5%, compounded annually Increases are made regardless of claim status.
- 4 **Two Times Compound Benefit Increase Rider** This rider increases the daily benefit and remaining lifetime benefit by 5%, compounded annually, until the daily benefit first exceeds two times the original daily benefit. Increases are made regardless of claim status.
- 5 Simple Benefit Increase Rider This rider increases the daily benefit by 5% of the original amount issued. The remaining lifetime benefit will be increased by the same proportion as the daily benefit Increases are made regardless of claim status.

#### C BASE BENEFIT ENHANCEMENTS

- 1 Coverage Enhancement Rider This rider allows the insured to enhance their coverage without underwriting on every fifth policy anniversary. Every five years the insured may choose any or all of the following enhancement options. 1) Increase the daily/monthly benefit on the Facility Care Daily Benefit, Home and Community Care Daily Benefit, or Monthly Indemnity Benefit (if applicable) to reflect the CPI growth over the previous five year period (using the seasonally adjusted CPI for Nursing Homes and Adult Day Care), 2) Decrease the elimination period to the immediately preceding elimination period, and/or. 3) Increase the benefit period to the next available period (excluding the lifetime benefit period).
- 2 Restoration of Benefits Rider The Maximum Lifetime Benefit is restored if, for 180 consecutive days, the insured is not receiving benefit payments, is not eligible for benefits, and is no longer chronically if!
- 3 Monthly Indemnity Benefit Option The indemnity benefit provided by this option is chosen at issue and can be up to 50% of the Facility Care Daily Benefit. The indemnity benefit is paid monthly and is equal to 30 times the Facility Care Daily Benefit times the indemnity percentage. The monthly indemnity benefit is payable in any month that a benefit payment is received under the Facility Care Benefit or the Home and Community Care Benefit.
- 4 Full Indemnity Benefit Rider The indemnity benefit provided by this rider is equal to 30 times the Facility Care Daily Benefit and is paid monthly. This benefit is paid in lieu of reimbursement of the Facility Care Daily Benefit and the Home and Community Care Daily Benefit for actual expenses incurred.
- 5 Home and Community Care Monthly Benefit Option The Maximum Home and Community Care Benefit will be a monthly limit versus a daily limit. The Maximum monthly benefit equals the number of days in the month times the Home and Community Care Daily Benefit on a monthly basis for the actual expenses incurred during the month.
- 6 Calendar Day Elimination Period Option This option changes the elimination period from service days to calendar days Each calendar day beginning with the first day that you receive Qualified Long Term Care Services until you are no longer Chronically III will count toward your Elimination Period
- 7 Waiver of Home and Community Care Elimination Period Rider This rider waives your elimination period while you are receiving Home and Community Care in addition, each day that you receive Home and Community Care Benefits will count towards your elimination period
- 8 Facility Care Only Policy Endorsement This endorsement deletes any reference within the policy to "Home and Community Care" making it a Facility Care Only policy
- 9 International Coverage Benefit Rider This rider provides benefits if the insured is outside of the United States, District of Columbia, or Canada

### D PREMIUM PAYMENT OPTIONS

- 1 Paid Up at Age 65 Rider The policy will become paid up at age 65 if required premiums have been paid. This inder will only be available to insureds age 54 or younger at issue.
- 2 Ten-Year Premium Payment Rider The policy will become paid up once required premiums have been paid for ten years

#### E SPOUSAL RIDER BENEFITS

- Spousal Discount Rider A 30% premium discount is provided to both insureds provided they live together, are married, and each purchase a contract
- 2 Married Discount Rider A 10% premium discount is provided to the insured provided the insured is married
- 3 Household Discount Rider A 10% premium discount is provided to the insured provided they are living with someone whom was/is also issued an Allianz Life long term care insurance contract
- 4 Spousal Shared Care Rider We will have two versions of this rider. One where if the insured exhausted his Maximum Lifetime Benefit, he may access the entire insured spouse's Maximum Lifetime Benefit (no residual) and one where if the insured exhausted his Maximum Lifetime Benefit, he may access all but one year of the insured spouse's Maximum Lifetime Benefit (one year residual) Both insured spouses must purchase this rider to receive this benefit. Upon death of one insured spouse, the remaining lifetime benefits (or remaining lifetime benefits less 365 times the facility care daily benefit), if any, of the spouse are transferred to the surviving insured spouse

- 5 Spousal Waiver of Premium Rider If one insured spouse's premiums are being waived, then the other insured's premium is also waived. Both insured spouses must purchase this rider to receive this benefit.
- 6 **Spousal Survivorship Rider** If the insured spouse dies after both their policy and the other insured's policy have been inforce for at least ten years, then the survivor's policy becomes paid up Both insured spouses must purchase this rider to receive this benefit

#### X. ACTUARIAL ASSUMPTIONS

A Profit formula – pricing was performed with asset shares on a statutory basis. The statutory profit for any period is calculated as

Statutory profit = premium + investment income -- expenses -- commission -- incurred claims -- increase in reserves

- B Morbidity Claim costs were developed using Milliman, USA's 2002 edition of their Long Term Care Guidelines (Guidelines) The Guidelines were developed from public sources as well as an internal database of \$1.8 billion of Long Term Care insurance claims. Milliman then created and validated the morbidity adjustment factors using their Long Term Care insurance claim database. Allianz then made some additional adjustments to ensure consistency with several additional sources of claim costs, including the 1997 National Nursing Home Study, and two long term care reinsurers.
- C Persistency Lapse rates vary by inflation protection option, duration, premium payment pattern, and individual policy versus policy with spousal discount rider. Lapse rates are based on our own insured experience. Ultimate lapse rates are consistent with our own insured experience as well as industry experience and judgement.

|      |            | INDIVIDUAL POLIC   | Υ                       |
|------|------------|--|-------------------------|
|      | No<br>COLA | 3% and 4% Lifetime<br>Compound 2X Compound,<br>and 5% Simple | 5% Lifetime<br>Compound |
| Yr 1 | 7 00%      | 6 00%  | 5 00%                   |
| 2    | 6 00%      | 5 00%  | 4 00%                   |
| 3    | 5 00%      | 4 00%  | 3 00%                   |
| 4    | 3 50%      | 2 75%  | 2 00%                   |
| 5+   | 2 25%      | 1 75%  | 1 25%                   |

|      | WITH       | SPOUSAL DISCOUN  | TRIDER                  |
|------|------------|--|-------------------------|
|      | No<br>COLA | 3% and 4% Lifetime<br>Compound, 2X Compound<br>and 5% Simple | 5% Lifetime<br>Compound |
| Yr 1 | 6 00%      | 4 50%  | 3 00%                   |
| 2    | 4 00%      | 3 00%  | 2 00%                   |
| 3    | 3 00%      | 2 25%  | 1 50%                   |
| 4    | 2 50%      | 1 75%  | 1 00%                   |
| 5+   | 2 00%      | 1 50%  | 1 00%                   |

|      | INDIVIDUAL POLICY                |  |            |  |  |  |  |  |  |
|------|----------------------------------|--|------------|--|--|--|--|--|--|
|      | WITH T                           | EN-YEAR PREMIUM PAYM                   | IENT RIDER |  |  |  |  |  |  |
|      | No 3% and 4% Lifetime 5% Lifetim |  |            |  |  |  |  |  |  |
|      | COLA                             | Compound 2X Compound,<br>and 5% Simple | Compound   |  |  |  |  |  |  |
| Yr 1 | 7 00%                            | 6 00%                                  | 5 00%      |  |  |  |  |  |  |
| 2    | 6 00%                            | 5 00%                                  | 4 00%      |  |  |  |  |  |  |
| 3    | 5 00%                            | 4 00%                                  | 3 00%      |  |  |  |  |  |  |
| 4    | 3 50%                            | 2 75%                                  | 2 00%      |  |  |  |  |  |  |
| 5    | 2 25%                            | 1 75%                                  | 1 25%      |  |  |  |  |  |  |
| 6    | 1 80%                            | 1 40%                                  | 1 00%      |  |  |  |  |  |  |
| 7    | 1 35%                            | 1 05%                                  | 0 75%      |  |  |  |  |  |  |
| 8    | 0 90%                            | 0 70%                                  | 0 50%      |  |  |  |  |  |  |
| 9    | 0 45%                            | 0 35%                                  | 0 25%      |  |  |  |  |  |  |
| 10+  | 0 00%                            | 0 00%                                  | 0 00%      |  |  |  |  |  |  |

|      | WITH SPOUSAL DISCOUNT RIDER AND WITH TEN-YEAR PREMIUM PAYMENT RIDER                      |       |       |  |  |  |  |  |  |  |
|------|--|-------|-------|--|--|--|--|--|--|--|
|      | No 3% and 4% Lifetime 5% Lifeti<br>COLA Compound, 2X Compound, Compound<br>and 5% Simple |       |       |  |  |  |  |  |  |  |
| Yr 1 | 6 00%  | 4 50% | 3 00% |  |  |  |  |  |  |  |
| 2    | 4 00%  | 3 00% | 2 00% |  |  |  |  |  |  |  |
| 3    | 3 00%  | 2 25% | 1 50% |  |  |  |  |  |  |  |
| 4    | 2 50%  | 1 75% | 1 00% |  |  |  |  |  |  |  |
| 5    | 2 00%  | 1 50% | 1 00% |  |  |  |  |  |  |  |
| 6    | 1 60%  | 1 20% | 0 80% |  |  |  |  |  |  |  |
| 7    | 1 20%  | 0 90% | 0 60% |  |  |  |  |  |  |  |
| 8    | 0 80%  | 0 60% | 0 40% |  |  |  |  |  |  |  |
| 9    | 0 40%  | 0 30% | 0 20% |  |  |  |  |  |  |  |
| 10+  | 0 00%  | 0 00% | 0 00% |  |  |  |  |  |  |  |

Lapse assumptions for policies with the Paid Up at Age 65 rider will use lapse assumptions identical to those used with the Ten-Year Premium Payment Rider for years one through five. Lapse rates after year five will linearly grade to zero over the remaining years until the insured becomes age 65.

For policies issued with simplified underwriting an additional 50 basis points is added to the base lapse assumptions until the insured becomes age 65. This is because persistency is expected to be worse until the insured reaches a retirement age of 65. After age 65, lapse assumptions are identical to base lapse assumptions.

- D Mortality 1994 Group Annuity Reserving Table, with select factors of 5, 6, 7, 8, 9, 10 (years 6+)
- E Interest Rate Earned rate on statutory assets 5 25%
- F Commissions -

| Regular Underwriting    | Year 1   | Years 2-10 | Years 11+ |
|-------------------------|----------|------------|-----------|
| Option 1                | 85%      | 12%        | 6%        |
| Option 2                | 70%      | 14%        | 14%       |
| Option 3                | 140%     | 0%         | 0%        |
| Simplified Underwriting | <u> </u> |            |           |
| Option 1                | 80%      | 8%         | 6%        |

#### G Expenses -

#### Acquisition

| Age     | Regular      | Simplified   |
|---------|--------------|--------------|
|         | Underwriting | Underwriting |
| 18-44   | 510          | 314          |
| 45-49   | 520          | 320          |
| 50-54   | 525          | 323          |
| 55-59   | 550          | 338          |
| 60-64   | 610          | 375          |
| 65-69   | 680          | 418          |
| 70-74   | 1150         | 708          |
| 75-79   | 1400         | 862          |
| 80-84   | 1500         | 923          |
|         |              |              |
| AvgCost | \$ 650       | \$ 400       |

An additional 12 5% of first year premiums - for acquisition costs

An additional 14% of first year premiums – for marketing expenses

Maintenance \$65 all years

Claims Administration 4% (for \$50 - \$99 daily benefit) and 6% (for \$100 - \$500 daily benefit) of base incurred claims, (excludes COLA portion of claims) (5% used for simplified underwriting)

Percent of Premium 2 5% of gross premium

H Statutory Reserves – Policy reserves are based on claim costs developed for this plan. A one-year preliminary term method with 1994 Group Annuity Reserving Table Mortality, with select factors or 5, 6, 7, 8, 9, 1 0 (years 6+) and 4% interest has been used. Lapse rates used are as follows.

Year 1 min (80% of pricing, 6 0%) Years 2-4 min (80% of pricing, 4 0%) Years 5+ min (100% of pricing, 2 0%)

A complete description of Statutory Reserves is shown in **Attachment 3** and sample calculations are in Example 1 and Example 2 of **Attachment 4** 

This reserve basis is consistent with the current NAIC "Health Insurance Reserves Model Regulation"

A table of anticipated policy reserves is shown in Attachment 5

Claim reserves are based on the claim amount, the 1985 National Nursing Home Study, and 4 0% interest. The inflation protection riders are incorporated via multiplying the daily benefit in future years.

Distribution of Business – The following is the expected distribution of business

| Age                         | 42   | 47   | 52   | 57   | 62    | 67  | · 72 | 77   | 82         |
|-----------------------------|------|------|------|------|-------|-----|------|------|------------|
|                             | 3%   | 5%   | 15%  | 26%  | 25%   | 17% | 6%   | 2%   | 1%         |
|                             | 1    |      |      |      |       |     |      |      |            |
| Benefit Period              | 42   | 47   | 52   | 57   | 62    | 67  | 72-  | ~ 77 | 82         |
| 2 year                      | 1%   | 1%   | 2%   | 2%   | 2%    | 4%  | 6%   | 10%  | 25%        |
| 3 year                      | 9%   | 10%  | 12%  | 15%  | 22%   | 28% | 35%  | 42%  | 45%        |
| 4 year                      | 8%   | 12%  | 14%  | 15%  | 18%   | 18% | 18%  | 18%  | 13%        |
| 5 year                      | 20%  | 24%  | 25%  | 26%  | 26%   | 20% | 20%  | 15%  | 7%         |
| 8 year                      | 10%  | 10%  | 12%  | 12%  | 10%   | 10% | 6%   | 5%   | 5%         |
| Lifetime                    | 52%  | 43%  | 35%  | 30%  | 22%   | 20% | 15%  | 10%  | 5%         |
|                             |      |      |      |      |       |     | ,    |      |            |
| COLA                        | 42   | 47   | 52   | 57   | 62    | 67  | 722  | 77   | 82         |
| <ul> <li>No COLA</li> </ul> | 10%  | 8%   | 8%   | 9%   | 16%   | 30% | 60%  | 79%  | 90%        |
| 5% Lifetime                 | 4%   | 4%   | 5%   | 7%   | 12%   | 15% | 10%  | 4%   | 1%         |
| 2x Cap                      |      |      | 1    |      |       |     |      |      |            |
| 3% Lifetime                 | 14%  | 11%  | 10%  | 10%  | 10%   | 10% | 6%   | 3%   | 2%         |
| 4% Lifetime                 | 8%   | 8%   | 7%   | 6%   | 5%    | 4%  | 1%   | 1%   | 1%         |
| 5% Simple                   | 8%   | 9%   | 12%  | 13%  | 17%   | 20% | 17%  | 10%  | 4%         |
| 5% Lifetime                 | 56%  | 60%  | 58%  | 55%  | 40%   | 21% | 6%   | 3%   | 2%         |
|                             | . 40 |      |      |      |       |     |      |      |            |
| Spousal                     | 42   | 47   | 52   | . 57 | 62    | 67  | 72   | 77   | 82         |
| Individual,                 | 30%  | 25%  | 25%  | 25%  | 25%   | 30% | 40%  | 55%  | 70%        |
| ' Joint                     | 70%  | _75% | 75%  | 75%  | 75%   | 70% | 60%  | 45%  | 30%        |
| Candan                      | 40   | 47   | . 50 | 67   | * (00 | 67  | 70   | 77   | 00         |
| Gender                      | 42   | 47   | - 52 | 57   | 62    | 67  | 72   | 77   | <u></u> 82 |
| Male                        | 35%  | 35%  | 40%  | 40%  | 40%   | 45% | 45%  | 40%  | 40%        |
| Female                      | 65%  | 65%  | 60%  | 60%  | 60%   | 55% | 55%  | 60%  | 60%        |

- J Average Issue Age The expected median issue age is 60
- K Average Annual Premium The expected average annual individual premium, including riders, is \$2,091
- L The model was run with the moderately adverse conditions listed below and under them the IRR remained at an acceptable level
  - 7 5% increase in morbidity
  - 0 75 decrease of earned rate on statutory assets
  - 0 5% decrease in ultimate lapse rates

M Premiums were developed using the assumptions detailed in this memo taking into account company profit goals and moderately adverse experience. Both IRR and profit margin were used to measure profitability.

#### XI. GROSS PREMIUMS AND PREMIUM FACTORS.

This plan is a guaranteed renewable individual long term care product

Premiums are unisex, vary by issue age, and are guaranteed for the first five years of the policy. Premiums are priced to sufficiently cover anticipated costs, and the premium is reasonably expected to be sustainable over the life of the policy with no future premium increase anticipated. A premium increase may be requested, however, due to deviations in actual experience relative to any pricing assumptions, and any change in premium rates will apply to all policies in the same class.

Policies are issued to ages 18-84 (18-65 for simplified underwriting) on an age last birthday basis. Gross annual premiums for a Preferred risk, 90-day elimination period are shown in **Attachment 1** Rider Premiums are listed in **Attachment 2** 

In addition, the rates are subject to the following adjustments and factors for plan variations

A Elimination Period Factors -

| 1 30        |
|-------------|
| <b>1</b> 18 |
| 1 08        |
| 1 00        |
| 0 90        |
| 0 80        |
|             |

B Risk Classes - Preferred risk premiums are shown in Attachment 1. The following factors are applied to the Preferred Risk premiums to obtain premiums for the other risk classes.

| Preferred Plus | 0 85 |
|----------------|------|
| Preferred      | 1 00 |
| Standard       | 1 20 |
| Select I       | 1 50 |
| Select II      | 1 80 |
| Select III     | 2 30 |
| Select IV      | 3 00 |

The premium rates for this product were determined in the aggregate, without regard to risk class. The risk class premium factors were then determined after consultation with Milliman and our underwriters. It was determined that these premium factors adequately reflect the level of risk to be disseminated within each rate class.

#### C Discounts -

Two discounts are available to married persons. A 30% spousal discount is provided to both insureds
if they are married, living together, and each puchase a contract. A 10% married discount is provided
to the insured provide he/she is married.

The claim cost selection factors used to determine the rates for this contract are distinct for unmarried and married individuals. The claim costs provided by Milliman are based on experience and indicate a married discount as high as 40% would be actuarially supportable.

 A 10% household discount is provided to the insured if they are living with someone whom was/is also issued an Allianz Life long term care insurance contract

- Premium rates will be discounted when the Company negotiates with an association or employer
  group (which may include family members) who endorses the product to its employees or members
  This discount will be 5% for all ages. In addition, there will be a premium discount of 20% for Allianz
  employees and their families. There will be a reduction in commissions on policies where these
  discounts are given.
- D Modal Premium Factors the modal factors will not exceed the following

0 09 monthly

0 0927 monthly credit card

0 265 quarterly

0 52 semi-annual

10 annual

#### XII. MODERATELY ADVERSE EXPERIENCE

A moderately adverse scenario is one which would decrease profits below a preset threshold Examples of experience which would cause profits to decrease below this threshold are

- 10% increase in morbidity
- 1% decrease of earned rate on statutory assets
- 0 6% decrease in ultimate lapse rates

#### XIII. ACTUARIAL CERTIFICATION

I hereby certify that to the best of my knowledge and judgement, the following are true with respect to this filing

The initial rate premium schedule is sufficient to cover anticipated costs under moderately adverse experience and the premium rate schedule is reasonably expected to be sustainable over the life of the form with no future premium increases anticipated,

Premium rates which would apply without the margin for moderately adverse experience would be 8% lower than the premium rates shown in the attachments

The pricing assumptions used in developing these rates are based on our own company experience wherever possible. In particular, our persistency and expense assumptions are based on our own experience. We have relied on consultants to develop appropriate claim costs, but have validated these claim costs to other claim cost studies as well as to our own experience.

- 2 Policy design and coverage provided have been reviewed and taken into consideration.
- 3 Underwriting and claims adjudication processes have been reviewed and taken into consideration,
- 4 Contract reserves contain reasonable margins for adverse experience,
- 5 The net valuation premium for renewal years does not increase,
- The expected difference between the gross premium and the net valuation premium for renewal years is sufficient to cover expected renewal expenses,
- The base premium rates and rider premium rates are greater than or equal to the premium rates for existing similar policy forms available from Allianz Life except for premium rates for the Spousal Survivorship Rider and the Spousal Shared Care Rider Rates have decreased on these riders due to more accurate modeling

Kathy Ignagni, ASA, MAAA

Kathy (gnagni

**Assistant Actuary** 

Allianz Life Insurance Company of North America

February 17, 2006

Attachment 1
Base Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit
Daily Benefit range from \$50 - \$99

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

Facility Care Benefit and 130% Home and Community Care Benefit

|          | •        |            |            | • •        | -          |            |          |           | -          |            |            |            |            |            |            |            | ,          |            |
|----------|----------|------------|------------|------------|------------|------------|----------|-----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Age      | 2 year   | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   | 2 year   | 3 year    | 4 уваг     | 5 year     | 8 year     | Lifatme    | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   |
| 18-40    | 40       | 43         | 47         | 50         | 55         | 64         | 41       | 45        | 49         | 51         | 57         | 67         | 46         | 51         | 53         | 57         | 62         | 74         |
| 41       | 40       | 43         | 47         | 50         | 55         | 64         | 41       | 45        | 49         | 52         | 58         | 67         | 46         | 51         | 53         | 57         | 63         | 74         |
| 42       | 40       | 43         | 48         | 51         | 58         | 85         | 41       | 45        | 50         | 52         | 58         | 58         | 46         | 51         | 54         | 58         | 63         | 75         |
| 43       | 41       | 45         | 49         | 52         | 57         | 87         | 42       | 46        | 51         | 53         | 59         | 69         | 47         | 52         | 55         | 59         | 65         | 78         |
| 44       | 42       | 46         | 50         | 53         | 58         | 68         | 43       | 47        | 52         | 54         | 60         | 71         | 48         | 53         | 56         | 60         | 66         | 78         |
| 45       | 43       | 48         | 51         | 54         | 59         | 69         | 44       | 48        | 53         | 55         | 61         | 72         | 49         | 54         | 57         | 61         | 67         | 79         |
| 46       | 44       | 49         | 52         | 55         | 60         | 71         | 45       | 49        | 54         | 56         | 62         | 74         | 50         | 55         | 59         | 62         | 68         | 80         |
| 47       | 45       | 51         | 53         | 58         | 61         | 72         | 47       | 50        | 55         | 57         | 63         | 75         | 51         | 57         | 60         | 63         | 70         | 62         |
| 48       | 48       | 51         | 54         | 57         | 62         | 74         | 47       | 51        | 58         | 58         | 63         | 77         | 52         | 57         | 61         | 64         | 70         | 84         |
| 49       | 48       | 52         | 55         | 58         | 63         | 76         | 48       | 52        | 56         | 59         | 64         | 78         | 52         | 57         | 61         | 64         | 71         | 85         |
| 50       | 47       | 52         | 55         | 58         | 63         | 78         | 48       | 53        | 57         | 60         | 65         | 80         | 53         | 58         | 62         | 65         | 72         | 87         |
| 51       | 48       | 53         | 58         | 59         | 64         | 79         | 49       | 54        | 57         | 60         | 66         | 82         | 54         | 58         | 63         | 65         | 73         | 89         |
| 52       | 49       | 54         | 57         | 60         | 65         | 81         | 50       | 54        | 58         | -81        | 67         | 83         | 55         | 58         | 64         | 68         | 74         | 91         |
| 53       | 50       | 55         | 60         | 63         | 68         | 85         | 51       | 58        | 61         | 64         | 70         | 87         | 57         | 61         | 68         | 69         | 77         | 95         |
| 54       | 52       | 57         | 62         | 66         | 72         | 89         | 53       | 58        | 63         | 67         | 74         | 91         | 58         | 63         | 69         | 72         | 81         | 99         |
| 5.5      | 54       | 59         | 64         | 69         | 75         | 94         | 55       | 60        | 66         | 70         | 77         | 95         | 60         | 65         | 72         | 75         | 85         | 104        |
| 56       | 58       | 61         | 67         | 71         | 79         | 98         | 57       | 62        | 68         | 73         | 80         | 100        | 62         | 67         | 74         | 79         | 88         | 108        |
| 57       | 58       | 63         | 69         | 74         | 82         | 102        | 58       | 63        | 71         | 76         | 84         | 104        | 64         | 70         | 77         | 82         | 92         | 112        |
| 58       | 62       | 67         | 75         | 80         | 89         | 110        | 63       | 68        | 77         | 82         | 91         | 113        | 69         | 75         | 84         | 89         | 99         | 122        |
| 59       | 67       | 72         | 81         | 88         | 98         | 119        | 67       | 73        | 83         | 89         | 98         | 122        | 74         | 80         | 90         | 95         | 107        | 132        |
| 60       | 71       | 76         | 87         | 92         | 102        | 128        | 72       | 78        | 88         | 95         | 105        | 132        | 79         | 85         | 97         | 102        | 114        | 143        |
| 61       | 76       | B1         | 92         | 98         | 109        | 136        | 76       | 83        | 94         | 101        | 112        | 141        | 84         | 90         | 103        | 109        | 122        | 153        |
| 62<br>63 | 80       | 88         | 98         | 105        | 116        | 145        | 81       | 87        | 100        | 108        | 119        | 150        | 89         | 95         | 109        | 116        | 129        | 183        |
| 64       | 88<br>95 | 94<br>103  | 108<br>117 | 116<br>127 | 128<br>140 | 180<br>175 | 89<br>96 | 98<br>105 | 110<br>119 | 119        | 132        | 188        | 97         | 104        | 120        | 129        | 143        | 180        |
| 85       | 103      |            | 126        | 139        | 152        | 191        | 104      | 113       | 129        | 131        | 145        | 181<br>197 | 105        | 114        | 130        | 141        | 157        | 197        |
| 66       | 111      | 111<br>120 | 138        | 150        | 165        | 206        | 112      | 122       | 138        | 142<br>154 | 159<br>172 | 212        | 114<br>122 | 123<br>133 | 141        | 154        | 170        | 214<br>231 |
| 87       | 118      | 128        | 145        | 161        | 177        | 221        | 120      | 131       | 148        | 165        | 185        | 228        | 130        | 142        | 151<br>162 | 167<br>180 | 184<br>198 | 248        |
| 68       | 135      | 145        | 164        | 184        | 202        | 249        | 137      | 149       | 168        | 189        | 211        | 257        | 148        | 162        | 183        | 205        | 227        | 281        |
| 89       | 151      | 163        | 182        | 207        | 202        | 277        | 153      | 188       | 187        | 213        | 236        | 287        | 187        | 181        | 204        | 231        | 255        | 313        |
| 70       | 167      | 180        | 201        | 230        | 252        | 305        | 170      | 184       | 207        | 236        | 262        | 316        | 185        | 201        | 225        | 257        | 284        | 345        |
| 71       | 183      | 197        | 219        | 252        | 277        | 333        | 186      | 202       | 227        | 260        | 287        | 346        | 203        | 220        | 246        | 283        | 313        | 377        |
| 72       | 199      | 214        | 238        | 275        | 302        | 360        | 203      | 220       | 247        | 284        | 313        | 375        | 221        | 239        | 267        | 309        | 342        | 409        |
| 73       | 228      | 243        | 271        | 314        | 344        | 409        | 230      | 250       | 280        | 324        | 357        | 426        | 251        | 272        | 302        | 352        | 390        | 484        |
| 74       | 253      | 272        | 303        | 352        | 387        | 457        | 258      | 279       | 314        | 363        | 401        | 476        | 281        | 304        | 337        | 395        | 438        | 519        |
| 75       | 280      | 301        | 336        | 391        | 430        | 505        | 286      | 309       | 347        | 403        | 446        | 526        | 312        | 337        | 373        | 439        | 486        | 574        |
| 78       | 307      | 330        | 369        | 429        | 472        | 553        | 313      | 339       | 381        | 443        | 490        | 577        | 342        | 369        | 408        | 482        | 533        | 628        |
| 77       | 334      | 359        | 401        | 468        | 515        | 602        | 341      | 369       | 414        | 483        | 534        | 627        | 372        | 402        | 443        | 526        | 581        | 683        |
| 78       | 376      | 403        | 446        | 511        | 584        | 660        | 384      | 413       | 460        | 527        | 585        | 888        | 419        | 450        | 495        | 574        | 842        | 749        |
| 79       | 419      | 446        | 491        | 554        | 614        | 718        | 427      | 458       | 506        | 571        | 636        | 749        | 466        | 499        | 548        | 622        | 703        | 816        |
| 80       | 461      | 490        | 535        | 597        | 683        | 777        | 471      | 502       | 552        | 615        | 687        | 810        | 513        | 548        | 598        | 670        | 764        | 882        |
| 81       | 504      | 533        | 580        | 640        | 712        | 835        | 514      | 547       | 597        | 659        | 738        | 670        | 560        | 598        | 650        | 719        | 825        | 948        |
| 82       | 547      | 577        | 824        | 682        | 762        | 894        | , 558    | 591       | 643        | 703        | 789        | 931        | 607        | 645        | 701        | 767        | 686        | 1 015      |
| 83       | 801      | 636        | 690        | 757        | 845        | 991        | 614      | 652       | 711        | 780        | 876        | 1 035      | 655        | 711        | 778        | 850        | 983        | 1 127      |
| 84       | 863      | 700        | 763        | 839        | 937        | 1 099      | 677      | 719       | 787        | 865        | 971        | 1 148      | 721        | 783        | 857        | 943        | 1 091      | 1 252      |

Attachment 1 - Continued
Base Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit
Daily Benefit range from \$100 - \$500

Facility Care Benefit and 70% Home and Community Care Benefit

Factity Care Benefit and 100% Home and Community Care Benefit

Facility Care Benefit and 130% Home and Community Care Benefit

|          |            | 70% Home and Community Care Benear. 100% Home and Community Care Benear |            |            |            |            |            |            |            | 130% Forne and Community Care Benefit |            |            |            |            |            |            |            |            |
|----------|------------|---|------------|------------|------------|------------|------------|------------|------------|---------------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Age      |            | 3 year  | 4 year     | 5 year     | 8 year     | Lifetime   | 2 уваг     | 3 year     | 4 year     | 5 year                                | 8 year     | Lifetime   | 2 year     | 3 year     | 4 year     | 5 year     | 8 уеаг     | Lifetime   |
| 18-40    |            | 36  | 40         | 42         | 47         | 57         | 33         | 37         | 41         | 44                                    | 49         | 60         | 37         | 41         | 45         | 49         | 54         | 66         |
| 41       | 32         | 36  | 40         | 42         | 47         | 57         | 33         | 37         | 41         | 45                                    | 50         | 60         | 37         | 41         | 45         | 49         | 55         | 66         |
| 42       | 32         | 36  | 41         | 43         | 48         | 58         | 33         | 37         | 42         | 45                                    | 50         | 61         | 37         | 42         | 48         | 50         | 55         | 67         |
| 43<br>44 | 33         | 37  | 42         | 44<br>45   | 49         | 60         | 34         | 38         | 43         | 45                                    | 51<br>51   | 62<br>63   | 38         | 43<br>44   | 47<br>48   | 50<br>51   | 56<br>57   | 68         |
| 45       | 34<br>35   | 38<br>39  | 42<br>43   | 45<br>46   | 50<br>51   | 61<br>62   | 35<br>36   | 39<br>39   | 44<br>45   | 46<br>47                              | 52         | 64         | 39<br>40   | 44         | 48         | 52         | 58         | 69<br>71   |
| 46       | 36         | 40  | 44         | 47         | 52         | 63         | 37         | 40         | 45         | 48                                    | 53         | 66         | 40         | 45         | 49         | 53         | 59         | 72         |
| 47       | 36         | 41  | 44         | 47         | 53         | 64         | 38         | 41         | 48         | 49                                    | 54         | 87         | 41         | 48         | 50         | 53         | 60         | 73         |
| 48       |            | 42  | 45         | 48         | 54         | 68         | 38         | 42         | 47         | 49                                    | 55         | 68         | 42         | 47         | 51         | 54         | 61         | 75         |
| 49       | 37         | 43  | 48         | 49         | 54         | 68         | 38         | 43         | 47         | 50                                    | 58         | 70         | 42         | 47         | 52         | 55         | 62         | 77         |
| 50       |            | 43  | 47         | 50         | 55         | 70         | 39         | 44         | 48         | 51                                    | 56         | 72         | 43         | 48         | 52         | 55         | 62         | 78         |
| 51       | 39         | 44  | 47         | 51         | 58         | 71         | 39         | 45         | 48         | 51                                    | 57         | 73         | 43         | 48         | 53         | 58         | 63         | 80         |
| 52       | 39         | 45  | 48         | 51         | 56         | 73         | 40         | 45         | 49         | 52                                    | 58         | 75         | 44         | 49         | 54         | 57         | 64         | 82         |
| 53       | 41         | 46  | 50         | 54         | 59         | 77         | 41         | 47         | 51         | 54                                    | 61         | 78         | 45         | 50         | 56         | 59         | 67         | 85         |
| 54       | 42         | 47  | 52         | 56         | 62         | 80         | 43         | 48         | 53         | 57                                    | 63         | 82         | 47         | 52         | 58         | 61         | 70         | 89         |
| 55<br>58 | 43<br>45   | 49<br>50  | 54<br>58   | 58<br>60   | 64<br>67   | 84<br>87   | 44         | 50<br>51   | 55<br>57   | 59<br>81                              | 68<br>68   | 85         | 48<br>50   | 54<br>58   | 60         | 64<br>66   | 72         | 93         |
| 50<br>57 | 45<br>48   | 52  | 57         | 62         | 69         | 91         | 45<br>47   | 52         | 59         | 64                                    | 71         | 89<br>93   | 50<br>51   | 58         | 62<br>64   | 69         | 75<br>78   | 96<br>100  |
| 58       | 50         | 55  | 62         | 67         | 75         | 98         | 50         | 56         | 64         | 69                                    | 77         | 100        | 55         | 62         | 69         | 74         | 84         | 108        |
| 59       | 53         | 59  | 66         | 72         | 80         | 105        | 54         | 60         | 68         | 74                                    | 82         | 108        | 59         | 68         | 74         | 79         | 90         | 117        |
| 60       | 57         | 63  | 71         | 77         | B6         | 112        | 57         | 64         | 72         | 79                                    | 88         | 115        | 63         | 70         | 79         | 85         | 98         | 125        |
| 81       | 60         | 66  | 75         | 82         | 91         | 119        | 61         | 68         | 77         | 84                                    | 93         | 123        | 67         | 74         | 84         | 90         | 102        | 133        |
| 62       | 84         | 70  | 80         | 86         | 97         | 126        | 64         | 72         | 61         | 69                                    | 99         | 131        | 71         | 78         | 89         | 96         | 108        | 142        |
| 63       | 70         | 77  | 88         | 95         | 108        | 139        | 70         | 78         | 90         | 98                                    | 110        | 144        | 77         | 85         | 98         | 108        | 119        | 156        |
| 64       | 76         | 83  | 96         | 104        | 116        | 152        | 78         | 85         | 98         | 107                                   | 121        | 158        | 84         | 93         | 107        | 116        | 130        | 171        |
| 65       | 82         | 90  | 105        | 113        | 126        | 166        | 83         | 92         | 106        | 116                                   | 131        | 171        | 90         | 100        | 116        | 126        | 141        | 186        |
| 66       | 88         | 97  | 113        | 122        | 136        | 179        | 89         | 99         | 115        | 125                                   | 142        | 185        | 97         | 107        | 126        | 138        | 152        | 201        |
| 67<br>68 | 94<br>108  | 103<br>117  | 121<br>138 | 131        | 148        | 192<br>218 | 95<br>108  | 106<br>120 | 123<br>140 | 134<br>154                            | 153<br>174 | 198<br>223 | 103<br>117 | 115<br>130 | 135<br>152 | 146<br>167 | 164<br>187 | 216        |
| 69       | 119        | 131   | 152        | 150<br>168 | 166<br>167 | 239        | 121        | 134        | 156        | 173                                   | 194        | 247        | 131        | 148        | 170        | 188        | 210        | 243<br>270 |
| 70       | 131        | 144   | 167        | 187        | 207        | 262        | 133        | 148        | 173        | 192                                   | 215        | 272        | 145        | 161        | 187        | 209        | 234        | 296        |
| 71       | 143        | 158   | 183        | 205        | 227        | 285        | 148        | 162        | 189        | 211                                   | 236        | 298        | 159        | 178        | 205        | 230        | 257        | 323        |
| 72       | 155        | 172   | 198        | 224        | 247        | 308        | 159        | 178        | 206        | 231                                   | 257        | 321        | 173        | 192        | 222        | 251        | 280        | 350        |
| 73       | 176        | 194   | 228        | 255        | 282        | 349        | 179        | 199        | 234        | 263                                   | 293        | 384        | 195        | 217        | 252        | 286        | 319        | 397        |
| 74       | 196        | 217   | 253        | 286        | 317        | 390        | 200        | 222        | 262        | 298                                   | 329        | 407        | 218        | 242        | 281        | 321        | 359        | 443        |
| 75       | 216        | 240   | 280        | 318        | 352        | 432        | 221        | 248        | 290        | 328                                   | 365        | 450        | 241        | 268        | 311        | 357        | 398        | 490        |
| 76<br>77 | 238        | 262   | 307        | 349        | 387        | 473        | 241        | 269        | 317        | 361                                   | 402        | 493        | 264        | 293        | 340        | 392        | 437        | 537        |
| 76       | 257<br>288 | 285<br>319  | 334<br>372 | 380<br>416 | 422<br>462 | 514<br>564 | 262<br>293 | 293<br>327 | 345<br>383 | 393<br>430                            | 438<br>480 | 538<br>588 | 286<br>320 | 319<br>357 | 369<br>412 | 427<br>468 | 477<br>528 | 584<br>640 |
| 79       | 318        | 353   | 409        | 452        | 503        | 614        | 325        | 362        | 422        | 468                                   | 521        | 640        | 354        | 395        | 455        | 508        | 578        | 697        |
| 80       | 349        | 387   | 448        | 488        | 543        | 664        | 356        | 396        | 460        | 503                                   | 563        | 692        | 388        | 432        | 498        | 548        | 626        | 754        |
| 81       | 380        | 420   | 483        | 524        | 584        | 714        | 388        | 431        | 498        | 540                                   | 605        | 744        | 422        | 470        | 541        | 588        | 678        | 810        |
| 82       | 411        | 454   | 520        | 559        | 625        | 764        | 419        | 468        | 536        | 578                                   | 647        | 796        | 456        | 508        | 584        | 629        | 726        | 887        |
| 83       | 452        | 501   | 575        | 621        | 693        | 847        | 482        | 513        | 593        | 640                                   | 718        | 884        | 493        | 580        | 646        | 697        | 805        | 963        |
| 84       | 499        | 551   | 636        | 888        | 768        | 939        | 509        | 566        | 656        | 709                                   | 796        | 981        | 542        | 618        | 714        | 773        | 894        | 1 070      |
|          |            |   |            |            |            |            |            |            |            |                                       |            |            |            |            |            |            |            |            |

Attachment 2
Rider Premium Rates and Premium Factors

|       |          |          | 5%       |        |           |        |           | Full |            |            |              |                           |                     |                 |
|-------|----------|----------|----------|--------|-----------|--------|-----------|------|------------|------------|--------------|---------------------------|---------------------|-----------------|
|       | 5%       | 4%       | 3%       | 5%     | Compound  |        |           |      | Return of  | Return of  |              |                           |                     |                 |
|       | Compound | Compound | Compound | Simple | COLA      |        | Paid-up   |      | Premium    | Premium    | Spousal      | Benefit                   | Restoration         |                 |
| Age]  | COLA     | COLA     | COLA     | COLA   | w/ 2x Cap | 10-pay | at age 65 | 38P  | Upon Death | Upon Death | Survivorship | Period                    | of Benefits         |                 |
| 1B-40 | 2 68     | 2 26     | 1 85     | 1.79   | 1 60      | 3 72   | 1 75      | 1 20 | 1 30       | 1 49       | 1 12         | 2 year                    | 1 08                |                 |
| 41    | 2 56     | 2 26     | 1 85     | 1 79   | 1 60      | 3 72   | 1 75      | 1 20 | 1 30       | 1 49       | 1 12         | 3 year                    | 1 05                |                 |
| 42    | 2 68     | 2 26     | 1 85     | 179    | 1 60      | 3 72   | 1 75      | 1 20 | 1 30       | 1 49       | 1 12         | 4 year                    | 104                 |                 |
| 43    | 2 65     | 2 25     | 1.85     | 1 79   | 1 60      | 3 63   | 1.78      | 1 20 | 1 32       | 151        | 1 12         | 5 year                    | 1 04                |                 |
| 44    | 2 54     | 2 24     | 1 85     | 179    | 160       | 3 53   | 1 80      | 1 20 | 1 34       | 1 53       | 1 12         | 8 year                    | 1 04                |                 |
| 45    | 2 63     | 2 24     | 1 85     | 180    | 160       | 3 44   | 1 83      | 121  | 1 35       | 1 56       | 1 12         | Lifetima                  | N/A                 |                 |
| 46    | 2 62     | 2 23     | 1 85     | 1 80   | 160       | 3 34   | 1 85      | 121  | 1 37       | 1 58       | 1 12         | Literine                  | WIR                 |                 |
| 47    | 261      | 2 22     | 1 85     | 1 80   | 160       | 3 25   | 1 88      | 121  | 1 39       | 1 60       | 1 12         |                           | Spousal             | Spousai         |
| 48    | 2 59     | 2 21     | 1 85     | 1 79   | 1 60      | 3 18   | 1 95      | 121  | 1 41       | 1 62       | 1 12         |                           | Shared Care         | Shared Care     |
| 49    | 2 57     | 2 20     | 1 85     | 1 79   | 160       | 3 10   | 2 03      | 1 22 | 1 43       | 165        | 1 12         | Benefit                   | (with no            | (with 1 yr      |
| 50    | 2 58     | 2 20     | 184      | 1 78   | 160       | 3 03   | 2 10      | 1 22 | 1 45       | 1 67       | 1 12         | Period                    | residual)           | residual)       |
| 51    | 2 54     | 2 19     | 1 84     | 1 78   | 1 60      | 2 95   | 2 18      | 1 22 | 1 47       | 1 70       | 1 12         | 2 year                    | 1 21                | 1 12            |
| 52    | 2 52     | 2 18     | 1 84     | 1 77   | 1 60      | 2 88   | 2 25      | 1 22 | 1 49       | 1 72       | 1 12         | 3 year                    | 1 14                | 111             |
| 53    | 2 46     | 2 14     | 181      | 1.78   | 160       | 2 81   | 2 39      | 1 23 | 1 52       | 1 76       | 1 12         | 4 year                    | 1 09                | 1 08            |
| 54    | 2 40     | 2 09     | 1 78     | 175    | 1 50      | 274    | 2 52      | 1 23 | 1 56       | 1 80       | 1 12         | 5 year                    | 106                 | 1 05            |
| 55    | 2 33     | 2 05     | 178      | 174    | 160       | 2 68   | 1 32      | 1 23 | 1 59       | 1 84       | 1 12         |                           | 1 02                | 1 02            |
| 56    | 2 27     | 200      | 1 73     | 1 73   | 160       | 259    |           | 1 23 | 162        | 1 89       | 1 11         | 8 year<br>Lifetime        | N/A                 | N/A             |
| 57    | 2 21     | 196      | 170      | 172    | 1 60      | 2 52   |           | 1 24 | 166        | 193        | 1 11         | Lifetifie                 | N/A                 | N/A             |
| 58    | 2 18     | 194      | 1 68     | 171    | 160       | 2 45   |           | 1 24 | 169        | 193        | 1 11         | Gastomton of              | Benefits and Sha    | and Com on      |
| 59    | 2 15     | 1 91     | 166      | 170    | 1 59      | 2 37   |           |      | 173        | 2 01       |              |                           |                     |                 |
| 60    | 2 13     | 1 69     |          | 170    | 1 59      | 230    |           | 1.24 | 1 76       | 2 05       | 1 11         | LICT BASISSON A           | with Lifetime beine | nt penos option |
|       |          |          | 1 64     |        |           |        |           | 1 24 |            |            | 1 11         |                           |                     |                 |
| 61    | 2 10     | 1 86     | 1 62     | 1 69   | 1 58      | 2 22   |           | 1 25 | 1 79       | 2 10       | 1 11         | HCC Monthly Benefit       |                     | 1 06            |
| 62    | 2 07     | 1 84     | 1 60     | 1 68   | 1 58      | 2 15   |           | 1 25 | 1 83       | 2 14       | 1 11         | Spousal Waiver of Premium |                     | 1 03            |
| 63    | 2 03     | 1 61     | 1 58     | 1 66   | 1 57      | , 2 08 |           | 1 25 | 1 90       | 2 23       | 1 11         | HCC Calendar Day EP       |                     | 1 02            |
| 64    | 1 99     | 1 78     | 1 56     | 1 64   | 1 58      | 2 02   |           | 1 25 | 1 98       | 2 33       | 1 11         | Walver of HCC EP          |                     | 1 12            |
| 65    | 1 94     | 1 74     | 1 54     | 1 53   | 1 56      | 1 95   |           | 1 26 | 2 06       | 2 43       | 1 11         |                           |                     |                 |
| 66    | 1 90     | 1 71     | 1 52     | 1 81   | 1 55      | 1 89   |           | 1 26 | 2 14       | 2 53       | 1 10         | Monthly Indemnity Benefit |                     |                 |
| 67    | 1 56     | 1 68     | 1 50     | 1 59   | 1 54      | 1 62   |           | 1 26 | 2 23       | 2 64       | 1 10         | 10%                       |                     | 1 04            |
| 68    | 1 82     | 1 65     | 1 48     | 1 57   | 1 53      | 1 76   |           | 1 26 | 2 36       | 2 81       | 1 10         | 25%                       |                     | 1 10            |
| 69    | 1 7B     | 1 62     | 1 46     | 1 55   | 1 52      | 1 71   |           | 1 27 | 2 50       | 3 00       | 1 10         | 50%                       |                     | 1 23            |
| 70    | 1.74     | 1 59     | 144      | 1.54   | 1 51      | 1 65   |           | 1 27 | 2 65       | 3 19       | 1 09         | 100% (age < 0             |                     | 2 57            |
| 71    | 1 70     | 1 56     | 1.42     | 1 52   | 1 50      | 160    |           | 1 27 | 2 80       | 3 40       | 1 08         | 100% (age 60              | +)                  | 2 23            |
| 72    | 1 66     | 1 53     | 1.40     | 1 50   | 1 49      | 1 54   |           | 1 27 | 2 97       | 3 62       | 1 07         |                           |                     |                 |
| 73    | 1 63     | 1 51     | 1 39     | 1 48   | 1 48      | 1 48   |           | 1 28 | 3 54       | 4.54       | 1 06         | Elimination P             | eriod Factors       |                 |
| 74    | 1 60     | 1 49     | 1 37     | 1 47   | 1 47      | 1 42   |           | 1 28 | 4 23       | 5 71       | 1 05         | 7 Day                     |                     | 1 30            |
| 75    | 1 57     | 1 46     | 1 36     | 1 45   | 1 45      | 1 37   |           | 1 28 | 5 06       | 7 21       | 1 04         | 30 Day                    |                     | 1 18            |
| 76    | 1 54     | 1 44     | 1 34     | 1 44   | 1 44      | 1 31   |           | 1 28 | 5 82       | 9 15       | 1 03         | 60 Day                    |                     | 1 08            |
| 77    | 1 51     | 1 42     | 1 33     | 1 42   | 1 43      | 1 25   |           | 1 29 | 6 07       | 11 68      | 1 02         | 90 Day                    |                     | 1 00            |
| 78    | 1 49     | 1 40     | 1 32     | 1.41   | 1 42      | 1 22   |           | 1 29 | 7 28       | 13 99      | 1 02         | 180 Day                   |                     | 0.90            |
| 79    | 1 46     | 1 38     | 1 30     | 1 40   | 1.41      | 1 19   |           | 1 29 | B 74       | 16 79      | 1 02         | 365 Day                   |                     | 0 80            |
| BO    | 1.44     | 1 37     | 1 29     | 1 38   | 1 40      | 1 16   |           | 1 29 | 10 48      | 20 15      | 1 02         |                           |                     |                 |
| 81    | 1.41     | 1 35     | 1 27     | 1 37   | 1 39      | 1 13   |           | 1 30 | 10 48      | 20 15      | 1 02         | Risk Class Fa             |                     |                 |
| 82    | 1 39     | 1 33     | 1 26     | 1 36   | 1 38      | 1 10   |           | 1 30 | 10 48      | 20 15      | 1 02         | Preferred Plus            |                     | 0.85            |
| 83    | 1 37     | 1 31     | 1 25     | 1 35   | 1 36      | 1 09   |           | 1 30 | 10 48      | 20 15      | 1 02         | Preferred                 |                     | 1 00            |
| 84    | 1 35     | 1 30     | 1 24     | 1 34   | 1 34      | 1 08   |           | 1 30 | 10 48      | 20 15      | 1 02         | Standard                  |                     | 1 20            |
| 85    | 1 34     | 1.29     | 1 23     | 1 32   | 1 33      |        |           | 1 30 | 10 48      | 20 15      | 1 02         | Select I                  |                     | 1 50            |
| 86    | 1 32     | 1 27     | 1 22     | 1 31   | 131       |        |           | 1 30 | 10 48      | 20 15      | 1 02         | Select II                 |                     | 1 80            |
| 87    | 1 31     | 1 26     | 1 21     | 1 29   | 1 30      |        |           | 1 30 | 10 48      | 20 15      | 1 02         | Select III                |                     | 2 30            |
| 88    | 1 29     | 1 25     | 1 20     | 1 28   | 1 29      |        |           | 1 30 | 10 48      | 20 15      | 1 02         | Salect IV                 |                     | 3 00            |
| 89    | 1 28     | 1 23     | 1 18     | 1 26   | 1 28      | 1      |           | 1 30 | 10 48      | 20 15      | 1 02         |                           |                     |                 |
| 90    | 1 26     | 1 22     | 1 17     | 1 24   | 1 28      |        |           | 1 30 | 10 48      | 20 15      | 1 02         | Discount Fac              | tors                |                 |
| 91    | 1 25     | 1 20     | 1 16     | 1 23   | 1 25      |        |           | 1 30 | 10 48      | 20 15      | 1 02         | Married                   |                     | 0 90            |
| 92+   | 1 23     | 1 19     | 1 15     | 1 21   | 1 23      |        |           | 1 30 | 10 48      | 20 15      | 1 02         | Spousal                   |                     | 0 70            |
|       |          |          |          |        |           |        |           |      |            |            |              | Facility Care C           | nly Endorseme       | 0 90            |
|       |          |          |          |        |           |        |           |      |            |            |              | ,                         | • •                 |                 |

Attachment 2 - Continued
Coverage Enhancement Rider
Daily Benefit Premium Rates
Preferred Rate Ctass, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit Facility Care Benefit and 130% Home and Community Care Benefit

|          |            |            |            | •          |            |            |            |            |            | , -        |            |            |            |            |            |            | •          |            |
|----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Age      | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   |
| 18-40    | 44         | 49         | 54         | 57         | 64         | 78         | 45         | 50         | 56         | 61         | 67         | 82         | 50         | 58         | 61         | 67         | 73         | 90         |
| 41       | 44         | 49         | 54         | 57         | 64         | 78         | 45         | 50         | 56         | 61         | 68         | 82         | 50         | 56         | 61         | 67         | 75         | 90         |
| 42       | 44         | 49         | 58         | 59         | 66         | 79         | 48         | 51         | 57         | 61         | 68         | 83         | 51         | 57         | 62         | 67         | 74         | 91         |
| 43       | 44         | 50         | 56         | 59         | 66         | 60         | 48         | 51         | 57         | 61         | 68         | 83         | 51         | 57         | 63         | 67         | 75         | 91         |
| 44       | 45         | 50         | 58         | 59         | 66         | 80         | 46         | 51         | 57         | 61         | 68         | 83         | 51         | 58         | 63         | 67         | 75<br>75   | 91         |
| 45       | 45         | 51         | 58         | 59         | 66         | 80         | 47<br>47   | 51         | 57<br>57   | 61         | 88         | 84         | 51<br>50   | 58         | 63         | 67         | 75<br>75   | 92         |
| 48<br>47 | 45<br>48   | 51<br>52   | 58<br>56   | 60<br>60   | 66<br>67   | 81<br>81   | 47         | 51<br>52   | 57<br>57   | 61<br>61   | 68<br>68   | 84<br>84   | 52<br>52   | 58<br>58   | 63<br>63   | 67<br>67   | 75<br>76   | 92<br>92   |
| 48       | 47         | 53         | 57         | 61         | 67         | 83         | 48         | 53         | 58         | 62         | 69         | 88         | 53         | 59         | 64         | 58         | 77         | 94         |
| 49       | 48         | 54         | 58         | 62         | 68         | 86         | 49         | 54         | 59         | 63         | 70         | 88         | 53         | 59         | 65         | 69         | 78         | 98         |
| 50       | 49         | 55         | 59         | 63         | 69         | 88         | 50         | 55         | 60         | 84         | 71         | 90         | 54         | 80         | 66         | 70         | 79         | 99         |
| 51       | 50         | 55         | 61         | 64         | 70         | 90         | 51         | 56         | 61         | 65         | 72         | 92         | 55         | 61         | 67         | 70         | 80         | 101        |
| 52       | 50         | 58         | 62         | 65         | 71         | 92         | 51         | 57         | 61         | 66         | 73         | 94         | 58         | 61         | 68         | 71         | 81         | 103        |
| 53       | 51         | 57         | 63         | 66         | 73         | 95         | 52         | 58         | 63         | 67         | 75         | 97         | 56         | 62         | 69         | 73         | 83         | 106        |
| 54       | 52         | 58         | 64         | 68         | 75         | 97         | 53         | 59         | 64         | 69         | 77         | 100        | 57         | 63         | 70         | 75         | 65         | 108        |
| 55       | 52         | 59         | 65         | 69         | 77         | 100        | 53         | 59         | 66         | 71         | 79         | 102        | 58         | 65         | 72         | 78         | 86         | 111        |
| 56       | 53         | 59         | 66         | 71         | 79         | 103        | 54         | 60         | 67         | 72         | 81         | 105        | 59         | 66         | 73         | 78         | 88         | 113        |
| 57       | 54         | 60         | 67         | 72         | 81         | 105        | 55         | 61         | 69         | 74         | 82         | 107        | 59         | 67         | 75         | 80         | 90         | 118        |
| 58       | 57         | 63         | 70         | 76         | 85         | 111        | 57         | 64         | 72         | 78         | 87         | 114        | 62         | 70         | 78         | 84         | 95         | 123        |
| 59       | 59         | 66         | 74         | 80         | 89         | 117        | 60         | 67         | 76         | 82         | 91         | 120        | 66         | 73         | 62         | 68         | 100        | 130        |
| 80       | 62         | 69         | 78         | 84         | 94         | 122        | 63         | 70         | 79         | 86         | 96         | 126        | 69         | 76         | 86         | 93         | 105        | 138        |
| 61       | 65         | 71         | ₿1         | 88         | 98         | 128        | 65         | 73         | 83         | 90         | 100        | 132        | 72         | 79         | 90         | 97         | 109        | 143        |
| 82       | 68         | 74         | 85         | 92         | 102        | 133        | 68         | 76         | 86         | 94         | 105        | 139        | 75         | 82         | 93         | 101        | 114        | 150        |
| 83       | 74         | 81         | 93         | 101        | 113        | 147        | 75         | 83         | 95         | 104        | 118        | 152        | 82         | 90         | 103        | 112        | 126        | 165        |
| 64       | 80         | 88         | 102        | 110        | 123        | 161        | 81         | 90         | 103        | 113        | 126        | 166        | 88         | 98         | 113        | 122        | 137        | 181        |
| 85       | 95         | 95         | 110        | 119        | 133        | 175        | 87         | 97         | 112        | 122        | 137        | 180        | 95         | 105        | 122        | 133        | 149        | 198        |
| 66       | 93         | 102        | 119        | 129        | 143        | 188        | 94         | 104        | 121        | 132        | 147        | 194        | 102        | 113        | 132        | 143        | 160        | 211        |
| 67       | 99         | 109        | 127        | 138        | 153        | 202        | 100        | 111        | 129        | 141        | 158        | 208        | 109        | 121        | 141        | 153        | 172        | 227        |
| 68       | 112        | 123        | 143        | 157        | 175        | 226        | 113        | 126        | 146        | 161        | 180        | 234        | 123        | 137        | 160        | 175        | 196        | 255        |
| 69       | 125        | 137        | 160        | 177        | 196        | 251        | 127        | 140        | 163        | 182        | 202        | 259        | 138        | 153        | 178        | 197        | 221        | 283        |
| 70       | 138        | 152        | 176        | 196        | 217        | 275        | 140        | 155        | 180        | 202        | 225        | 285        | 152        | 169        | 197        | 219        | 245        | 311        |
| 71       | 151        | 168        | 192        | 215        | 239        | 299        | 153        | 170        | 197        | 222        | 247        | 311        | 167        | 185        | 215        | 241        | 270        | 339        |
| 72<br>73 | 164<br>185 | 180<br>204 | 208<br>238 | 235<br>268 | 260<br>298 | 323<br>367 | 187<br>189 | 185<br>209 | 214<br>242 | 242<br>276 | 269<br>307 | 337<br>382 | 181<br>205 | 201<br>228 | 233<br>264 | 263<br>300 | 294<br>335 | 387<br>417 |
| 73       | 208        | 228        | 283        | 200<br>301 | 333        | 410        | 211        | 234        | 271        | 310        | 345        | 427        | 205<br>229 | 255        | 295        | 338        | 377        | 468        |
| 75       | 200        | 252        | 290        | 334        | 370        | 453        | 233        | 258        | 299        | 344        | 384        | 472        | 253        | 255<br>281 | 326        | 375        | 418        | 515        |
| 76       | 249        | 278        | 317        | 367        | 406        | 497        | 254        | 283        | 328        | 379        | 422        | 517        | 277        | 308        | 357        | 412        | 459        | 564        |
| 77       | 271        | 299        | 345        | 399        | 443        | 540        | 278        | 307        | 358        | 413        | 480        | 563        | 301        | 335        | 388        | 449        | 500        | 613        |
| 78       | 303        | 335        | 385        | 437        | 489        | 592        | 309        | 344        | 397        | 451        | 508        | 617        | 336        | 375        | 433        | 491        | 553        | 673        |
| 79       | 335        | 370        | 425        | 475        | 538        | 645        | 342        | 380        | 439        | 490        | 555        | 672        | 372        | 414        | 478        | 533        | 605        | 732        |
| 80       | 367        | 406        | 466        | 512        | 582        | 697        | 375        | 416        | 480        | 528        | 603        | 727        | 408        | 454        | 523        | 575        | 657        | 792        |
| 81       | 399        | 442        | 508        | 550        | 629        | 750        | 407        | 453        | 521        | 587        | 651        | 781        | 443        | 494        | 568        | 618        | 710        | 851        |
| 62       | 431        | 477        | 546        | 587        | 675        | 802        | 440        | 489        | 563        | 505        | 699        | 838        | 479        | 533        | <b>614</b> | 660        | 762        | 911        |
| 63       | 475        | 526        | 604        | 652        | 749        | 890        | 485        | 539        | 622        | 672        | 776        | 928        | 517        | 588        | 679        | 732        | 846        | 1 012      |
| 84       | 524        | 579        | 888        | 722        | 830        | 986        | 534        | 594        | 688        | 744        | 861        | 1 031      | 569        | 647        | 750        | 812        | 939        | 1 123      |
| 65       | 551        | 614        | 713        | 778        | 897        | 1098       | 563        | 631        | 735        | 803        | 932        | 1149       | 606        | 692        | 807        | 881        | 1 024      | 1,261      |
| 66       | 579        | 650        | 759        | 834        | 964        | 1209       | 592        | 667        | 783        | 862        | 1002       | 1267       | 643        | 737        | 864        | 950        | 1109       | 1400       |
| 87       | 607        | 685        | 804        | 889        | 1031       | 1321       | 621        | 704        | 830        | 921        | 1073       | 1385       | 680        | 782        | 921        | 1020       | 1194       | 1538       |
| 88       | 635        | 721        | 850        | 945        | 1098       | 1433       | 650        | 740        | 877        | 979        | 1144       | 1503       | 718        | 827        | 978        | 1089       | 1279       | 1878       |
| 89       | 662        | 756        | 895        | 1001       | 1165       | 1544       | 679        | 777        | 924        | 1038       | 1214       | 1621       | 753        | 871        | 1035       | 1159       | 1364       | 1815       |
| 90       | 690        | 791        | 941        | 1057       | 1232       | 1658       | 708        | 813        | 971        | 1097       | 1285       | 1739       | 790        | 916        | 1092       | 1228       | 1449       | 1953       |
| 91       |            | 827        | 986        | 1112       | 1299       | 1768       | 737        | 850        | 1018       | 1158       | 1356       | 1858       | 827        | 961        | 1149       | 1298       | 1534       | 2091       |
| 92+      | 745        | 862        | 1032       | 1168       | 1366       | 1879       | 766        | 886        | 1085       | 1214       | 1427       | 1976       | 863        | 1008       | 1208       | 1367       | 1619       | 2230       |
|          |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |            |

Attachment 2 - Continued
Coverage Enhancement Rider
Benefit Period Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

Facility Care Benefit and 130% Home and Community Care Benefit

|            |                  |                  | ,                    |                  |                  |                  |                  |                  | 1007011011       |                  | ,                |                  |
|------------|------------------|------------------|----------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| From<br>To | 2 year<br>3 year | 3 year<br>4 year | 4 year<br>5 year     | 5 year<br>8 year | 2 year<br>3 year | 3 year<br>4 year | 4 year<br>5 year | 5 year<br>8 year | 2 year<br>3 year | 3 year<br>4 year | 4 year<br>5 year | 5 year<br>8 year |
| Age        | •                | -                | •                    | · 1              | •                | •                | -                | · 1              | •                | •                | •                | •                |
| 18-40      | 17               | 18               | 18                   | 22               | 17               | 19               | 20               | 22               | 19               | 20               | 22               | 25               |
| 41         | 17               | 18               | 18                   | 22               | 17               | 19               | 20               | 23               | 19               | 20               | 22               | 25               |
| 42         | 17               | 18               | 18                   | 22               | 17               | 19               | 19               | 23               | 19               | 20               | 22               | 25               |
| 43         | 16               | 18               | 18                   | 22               | 17               | 19               | 18               | 22               | 19               | 20               | 21               | 24               |
| 44         | 16               | 18               | 17                   | 21               | 16               | 18               | 18               | 21               | 19               | 19               | 20               | 24               |
| 45         | 16               | 17               | 16                   | 20               | 15               | 18               | 17               | 21               | 18               | 18               | 19               | 23               |
| 48         | 16               | 16               | 16                   | 20               | 15               | 17               | 17               | 20               | 17               | 18               | 18               | 23               |
| 47         | 16               | 15               | 15                   | 19               | 15               | 16               | 16               | 19               | 17               | 17               | 17               | 23               |
| 48         | 16               | 15               | 15                   | 19               | 15               | 16               | 16               | 20               | 17               | 18               | 17               | 23               |
| 49         | 16               | 16               | 16                   | 19               | 15               | 16               | 16               | 20               | 17               | 18               | 17               | 23               |
| 50         | 16               | 16               | 16                   | 19               | 15               | 16               | 17               | 20               | 17               | 18               | 17               | 23               |
| 51         | 16               | 17               | 16                   | 19               | 15               | 16               | 17               | 21               | 17               | 19               | 17               | 23               |
| 52         | 16               | 17               | 16                   | 19               | 15               | 16               | 17               | 21               | 17               | 19               | 17               | 23               |
| 53         | 16               | 17               | 18                   | 19               | 15               | 16               | 16               | 21               | 17               | 19               | 17               | 23               |
| 54         | 15               | 16               | 15                   | 19               | 15               | 16               | 16               | 20               | 17               | 18               | 17               | 23               |
| 55         | 15               | 16               | 15                   | 19               | 15               | 16               | 16               | 20               | 16               | 18               | 16               | 23               |
| 56         | 14               | 15               | 15                   | 19               | 14               | 16               | 15               | 19               | 16               | 17               | 16               | 22               |
| 57         | 14               | 15               | 14                   | 19               | 14               | 16               | 15               | 19               | 16               | 17               | 15               | 21               |
| 58         | 13               | 15               | 14                   | 18               | 13               | 16               | 14               | 18               | 15               | 17               | 15               | 21               |
| 59         | 12               | 15               | 13                   | 17               | 13               | 16               | 14               | 18               | 14               | 17               | 15               | 20               |
| 60         | 12               | 15               | 13                   | 17               | 12               | 15               | 14               | 17               | 13               | 16               | 14               | 20               |
| 61         | 11               | 15               | 12                   | 16               | 12               | 15               | 13               | 17               | 13               | 16               | 14               | 19               |
| 62         | 11               | 15               | 13                   | 16               | 12               | 15               | 13               | 17               | 12               | 16               | 14               | 19               |
| 63         | 11               | 16               | 13                   | 17               | 12               | 16               | 14               | 17               | 13               | 18               | 14               | 20               |
| 64         | 12               | 18               | 14                   | 18               | 13               | 18               | 15               | 19               | 14               | 20               | 15               | 21               |
| 65         | 13               | 20               | 15                   | 20               | 14               | 20               | 16               | 20               | 15               | 22               | 16               | 23               |
| 68         | 14               | 22               | 16                   | 21               | 15               | 22               | 17               | 22               | 16               | 24               | 18               | 24               |
| 67         | 15               | 24               | 17                   | 22               | 16               | 24               | 18               | 23               | 17               | 27               | 19               | 28               |
| 68         | 17               | 26               | 21                   | 25               | 18               | 27               | 22               | 26               | 19               | 30               | 23               | 29               |
| 69         | 17               | 29               | 25                   | 28               | 20               | 30               | 26               | 30               | 22               | 33               | 25<br>28         | 33               |
| 70         | 20               | 32               | 29                   | 31               | 22               | 32               | 30               | 33               | 24               | 36               | 32               | 36               |
| 71         | 22               | 34               | 33                   | 33               | 24               | 35               | 34               | 36               | 26               | 39               | 37               | 40               |
|            | 24               | 37               | 37                   | 36               | 26               | 38               | 38               | 39               | 29               | 42               | 41               | 43               |
| 72<br>73   | 28               | 41               | 43                   | 41               | 29               | 43               | 45               | 44               | 33               | 47               | 49               | 49               |
|            | 20<br>31         | 46               | <del>4</del> 3<br>50 | 47               | 33               | 43<br>48         |                  |                  | 33<br>37         |                  | 56               | 55               |
| 74         | 35               | 50               | 50<br>57             | 52               | 37               | 53               | 52<br>59         | 50<br>56         | 41               | 53<br>58         | 56<br>64         | 61               |
| 75<br>76   | 38               | 55               | 64                   | 57               | 40               | 58               | 66               | 61               | 45               | 56<br>64         | 72               | 67               |
| 76         |                  |                  |                      |                  |                  |                  |                  |                  |                  |                  |                  |                  |
| 77         | 42               | 60               | 71                   | 62               | 44               | 63               | 74               | 67               | 49               | 69               | 79<br>79         | 73<br>85         |
| 78         | 47               | 66<br>73         | 70<br>69             | 73<br>84         | 49<br>54         | 70<br>77         | 73<br>72         | 78               | 54<br>60         | 76<br>84         | 79<br>78         | 97               |
| 79         | 51               | 73<br>79         |                      | 95               | 54<br>59         |                  | 72<br>71         | 89               | 66               |                  |                  |                  |
| 80         | 56<br>61         | 79<br>86         | 69<br>68             | 105              | 59<br>65         | 84<br>90         | 70               | 100<br>112       | 71               | 91<br>98         | 77<br>76         | 109<br>121       |
| 81         |                  |                  |                      |                  |                  | 90<br>97         |                  |                  | 77               |                  | 76<br>76         |                  |
| , 82       | 66               | 92               | 67                   | 116              | 70               |                  | 69               | 123              |                  | 108              |                  | 134              |
| 83         | 74               | 103              | 76                   | 129              | 77<br>05         | 109              | 79               | 137              | 95               | 119              | 85               | 149              |
| 84         | 80               | 116              | 86                   | 143              | 85               | 123              | 89               | 152              | 105              | 134              | 97               | 166              |
| 85         | 89               | 128              | 98                   | 157              | 94               | 135              | 103              | 167              | 115              | 148              | 112              | 185              |
| 86         | 98               | 140              | 111                  | 170              | 103              | 147              | 117              | 182              | 125              | 162              | 127              | 204              |
| 87         | 107              | 152              | 123                  | 184              | 112              | 159              | 130              | 196              | 134              | 177              | 142              | 223              |
| 88         | 116              | 184              | 136                  | 198              | 121              | 172              | 144              | 211              | 144              | 191              | 158              | 242              |
| 89         | 125              | 175              | 148                  | 212              | 130              | 184              | 158              | 226              | 154              | 205              | 173              | 261              |
| 90         | 134              | 187              | 160                  | 226              | 139              | 196              | 172              | 240              | 164              | 220              | 188              | 280              |
| 91         | 143              | 199              | 173                  | 240              | 148              | 208              | 186              | 255              | 174              | 234              | 203              | 298              |
| 92+        | 152              | 211              | 185                  | 253              | 157              | 221              | 200              | 270              | 183              | 249              | 218              | 317              |
|            |                  |                  |                      |                  |                  |                  |                  |                  |                  |                  |                  |                  |

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Attachment 2 - Continued Coverage Enhancement Rider Elimination Period Factors Preferred Rate Class

| From     | 30 days      | 60 days      | 90 days      | 180 days     | 365 days     |
|----------|--------------|--------------|--------------|--------------|--------------|
| То       | 7 days       | 30 days      | 60 days      | 90 days      | 180 days     |
| Age      |              | 4.40         | 4.47         | 4 54         | 4.50         |
| 18-40    | 1 50<br>1 50 | 1 49<br>1 49 | 1 47<br>1 47 | 1 51<br>1 51 | 1 53<br>1 53 |
| 41<br>42 | 1 50         | 1 49         | 1 47         | 1 51         | 1 53         |
| 42       | 1 48         | 1 46         | 1 45         | 1 49         | 1 51         |
| 44       | 1 45         | 1 44         | 1 43         | 1 47         | 1 49         |
| 45       | 1 43         | 1 42         | 1 40         | 1 44         | 1 46         |
| 46       | 1 41         | 1 40         | 1 38         | 1 42         | 1 44         |
| 47       | 1 39         | 1 38         | 1 36         | 1 40         | 1 42         |
| 48       | 1 39         | 1 38         | 1 36         | 1 40         | 1 42         |
| 49       | 1 39         | 1 38         | 1 36         | 1 40         | 1 42         |
| 50       | 1 39         | 1 38         | 1 36         | 1 40         | 1 42         |
| 51       | 1 39         | 1 38         | 1 36         | 1 40         | 1 42         |
| 52       | 1 39         | 1 38         | 1 36         | 1 40         | 1 42         |
| 53       | 1 37         | 1 35         | 1 34         | 1 38         | 1 40         |
| 54       | 1 34         | 1 33         | 1 32         | 1 36         | 1 37         |
| 55       | 1 32         | 1 31         | 1 30         | 1 33         | 1 35         |
| 56       | 1 30         | 1 29         | 1 27         | 1 31         | 1 33         |
| 57<br>58 | 1 28<br>1 26 | 1 27<br>1 25 | 1 25<br>1 23 | 1 29<br>1 27 | 1 31<br>1 28 |
| 59       | 1 23         | 1 22         | 1 21         | 1 24         | 1 26         |
| 60       | 1 21         | 1 20         | 1 19         | 1 22         | 1 24         |
| 61       | 1 19         | 1 18         | 1 17         | 1 20         | 1 22         |
| 62       | 1 17         | 1 16         | 1 14         | 1 18         | 1 19         |
| 63       | 1 17         | 1 16         | 1 14         | 1 18         | 1 19         |
| 64       | 1 16         | 1 15         | 1 14         | 1 17         | 1 19         |
| 65       | 1 16         | 1 15         | 1 14         | 1 17         | 1 19         |
| 66       | 1 16         | 1 15         | 1 14         | 1 17         | 1 18         |
| 67       | 1 16         | 1 15         | 1 13         | 1 17         | 1 18         |
| 68       | 1 16<br>1 16 | 1 15<br>1 15 | 1 13<br>1 13 | 1 17<br>1 17 | 1 18<br>1 18 |
| 69<br>70 | 1 16<br>1 16 | 1 15<br>1 15 | 1 13<br>1 13 | 1 17<br>1 17 | 1 18         |
| 71       | 1 16         | 1 15         | 1 13         | 1 17         | 1 18         |
| 72       | 1 16         | 1 15         | 1 13         | 1 17         | 1 18         |
| 73       | 1 16         | 1 15         | 1 13         | 1 17         | 1 18         |
| 74       | 1 16         | 1 15         | 1 13         | 1 17         | 1 18         |
| 75       | 1 16         | 1 15         | 1 13         | 1 17         | 1 18         |
| 76       | 1 16         | 1 15         | 1 13         | 1 17         | 1 18         |
| 77       | 1 16         | 1 15         | 1 13         | 1 17         | 1 18         |
| 78       | 1 16         | 1 15         | 1 13         | 1 17         | 1 18         |
| 79       | 1 16         | 1 15         | 1 13         | 1 17         | 1 18         |
| 80       | 1 16         | 1 15         | 1 13         | 1 17<br>1 17 | 1 18         |
| 81<br>82 | 1 16<br>1 16 | 1 15<br>1 15 | 1 13<br>1 13 | 1 17         | 1 18<br>1 18 |
| 83       | 1 16         | 1 15         | 1 13         | 1 17         | 1 18         |
| 84       | 1 16         | 1 15         | 1 13         | 1 17         | 1 18         |
| 85       | 1 16         | 1 15         | 1 13         | 1 17         | 1 18         |
| 86       | 1 16         | 1 15         | 1 13         | 1 17         | 1 18         |
| 87       | 1 16         | 1 15         | 1 13         | 1 17         | 1 18         |
| 88       | 1 16         | 1 15         | 1 13         | 1 17         | 1 18         |
| 89       | 1 16         | 1 15         | 1 13         | 1 17         | 1 18         |
| 90       | 1 16         | 1 15         | 1 13         | 1 17         | 1 18         |
| 91       | 1 16<br>1 16 | 1 15<br>1 15 | 1 13<br>1 13 | 1 17<br>1 17 | 1 18<br>1 18 |
| 92+      | ( IQ         | 1 13         | (13          |              | 1 10         |

### Attachment 3 - Statutory Reserve

Combined with Example 1 in Attachment 4, the following information provides a complete description of the contract reserves that will be held under this form

Valuation Method One year preliminary term Valuation Process Seriatim (Policy by Policy)

Interest Rate 4 0%

Type of Factors Daily interpolation between terminal reserves

Lapse Rate Year 1 min (80% of pricing, 6 0%)

Years 2-4 min (80% of pricing, 4 0%) Years 5+ min (100% of pricing, 2 0%)

Mortality 1994 Group Annuity Reserving Table, with select factors of 5, 6, 7, 8, 9, 10

(years 6+)

Claim Costs Identical to those used in pricing

Selection Factors Identical to those used in pricing for both morbidity and mortality

### Example 1 and Example 2 in Attachment 4 use a policyholder with the following characteristics

Issue Age 62 Gender Male Gross Annual Premium \$2,730 61\* Benefit Period 5 Year Nursing Home Daily Benefit \$140 ALF Daily Benefit \$140 Home and Community Care Daily Benefit \$140 Elimination Period 90 days COLA 5% Lifetime

The total reserve equals the Premium Reserve plus the Contract Reserve The Premium Reserve is equal to the unearned statutory net valuation premium. The formulas for the Contract Reserve are given below and illustrated in Example 1

Column Heading on Example 1 Explanation/ Logic

Gross Premium(t) The Annual Premium paid by the policy holder

Compound

Interest 4 0%

Lapse Rate As described above
Mortality Rate As described above
Claim Costs As described above

<sup>\*</sup>This is an aggregate premium weighted by the expected distribution of underwriting classes

**Discount Factors** 

Lives(t) The number of lives remaining at the beginning of duration t The

formula is if t=1, 1 else  $\prod_{k=0}^{t-1} (1-q_{x+k}^d)(1-q_{x+k}^w)$ 

Interest Discount(t)

Claim Discount Adjustment(t) The number of lives that survive to the  $\frac{1}{2}$  year mark of duration t given

that they survived to duration (t-1) Linear interpolation is used on the

factors  $\left(1 + \frac{(1 - q_{x+(t-1)}^d)(1 - q_{x+(t-1)}^w)}{1 + t}\right) * 5$ 

Present Value Discounted to

PV<sub>0</sub>(Gross Premium(t)) PV<sub>0</sub>(Claims Costs(t)) At duration t = Gross Premium(t) \* Lives(t) \* Interest Discount(t)
At duration t = Claims Costs(t)\*Lives(t)\*Interest Discount(t)\* Claim

Discount Adjustment(t)

Direct

Renewal Net Premium/ Gross

Premium

 $\frac{\sum_{t=2}^{49} PV_{0}(\text{ClaimCosts}(t))}{\sum_{t=2}^{49} PV_{0}(\text{GrossPremium}(t))}$ 

Net Premium(1) =  $PV_0(Claims Costs(1))$ 

Net Premium(duration >1) = Renewal Net/Gross \* Gross Premium

Reserve(t) Reserve(1)=(

 $R_{t} = \frac{(R_{t-1} + NP_{t} - (CC_{t} * CDA_{t}))*(1+t)}{(1-q_{x+t-1}^{*})(1-q_{x+t-1}^{d})}$ 

Where

R = Reserve(t)

NP<sub>t</sub>=Net Premium(t)

CC<sub>t</sub>=Claims Costs(t)

CDA<sub>t</sub>=Claim Discount Adjustment

A sample calculation of the total reserve is illustrated in Example 2

| o | IR | F | c | T |  |
|---|----|---|---|---|--|

| - TOTAL |          |          |       |           |                  |   |                    |            |                    |                      |                        |                   |                      |                        |
|---------|----------|----------|-------|-----------|------------------|---|--------------------|------------|--------------------|----------------------|------------------------|-------------------|----------------------|------------------------|
| DIRECT  |          |          |       |           |                  |   |                    |            |                    |                      |                        |                   | DIRECT               |                        |
|         |          |          |       |           |                  |   |                    | B          |                    | m r m r              |                        |                   | Net Premium          | Reserve                |
| - 1     |          |          |       |           |                  |   | L                  | Discount F | actors             | PV DISC              | d to Issue             | Renewal Net       | Method               | 11771                  |
| 1       |          |          | ! 1   |           | 1 1              | ı |                    |            |                    |                      |                        |                   |                      |                        |
| Policy  | Gross    |          | Lapse | Mortality | )                |   |                    |            | Claim              | Dt/ (Cenes           | PV <sub>o</sub> (Claim | Premium/<br>Gross |                      |                        |
| Year    | Prem     | Interest | Rate  | Rate      | Claim Cost       |   | Lives(t)           | IntDisc    | Disc Adj           | Premium(t)           |                        | Premium           |                      | (0 00)                 |
|         | 2 730 61 | 4 00%    | 4 00% | 0 005074  | 32 15            |   |                    | 1 00000    |                    | 2 730 61             |                        | 45 9%             | 30 54                | 0.00                   |
|         | 2 730 61 | 4 00%    | 3 20% | 0 008883  | 55 67            |   | 1 00000<br>0 95513 | 0 96154    | 0 95920<br>0 98218 | 2 507 78             |                        | 40 63             | 1 334 71             | 1 385 98               |
|         | 2 730 61 | 4 00%    | 2 40% | 0 009058  | 80 86            |   |                    | 0 92456    | 0 96498            | 2 315 10             |                        |                   | 1 334 71             | 2 841 69               |
|         | 2 730 61 |          |       |           |                  |   | 0 91820            | 0 88900    |                    |                      |                        |                   | 1 334 71             |                        |
|         | 2.730 61 | 4 00%    | 1 60% | 0 011628  | 108 71<br>133 25 | , | 0 68805<br>0 86368 | 0 85480    | 0 96758<br>0 96782 | 2 155 74<br>2 015 94 |                        |                   | 1 334 71             | 4 353 53<br>5 941 68   |
|         |          | 4 00%    | 1 25% |           |                  |   |                    |            |                    |                      |                        |                   |                      |                        |
| 8<br>7  | 2 730 81 | 4 00%    | 1 25% | 0 018034  | 185 43           |   | 0 84042            | 0 82193    | 0 96620            | 1 886 20<br>1 758 69 |                        |                   | 1 334 71             | 7 611 61               |
| -       | 2 730 61 | 4 00%    | 1 25% | 0 021729  | 237 49           |   | 0 61495            | 0 75992    | 0 98533            |                      |                        |                   | 1 334 71             | 9 366 73               |
|         | 2 730 61 | 4 00%    | 1 25% | 0 021729  | 299 35<br>376 42 |   | 0 78878<br>0 76199 | 0 73089    | 0 98444            | 1 636 74<br>1 520 35 |                        |                   | 1 334 71             | 11 209 91              |
|         | 2 730 61 | 4 00%    | 1 25% | 0 025951  | 487 53           |   | 0 73461            | 0 70259    | 0 98244            | 1 409 34             |                        |                   | 1 334 71<br>1 334 71 | 13 141 44<br>15 165 43 |
|         | 2 730 61 | 4 00%    | 1 25% | 0 020951  | 407 53<br>561 93 |   | D 70680            | 0 70259    | 0 98124            | 1 303 47             |                        |                   | 1 334 71             | 17 301 28              |
|         | 2 730 61 | 4 00%    | 1 25% | 0 031201  | 707 18           |   | D 67790            | 0 64958    | 0 95995            | 1 303 47             |                        |                   | 1 334 71             | 19 520 87              |
|         | 2 730 61 | 4 00%    | 1 25% | 0 031201  | 890 16           | f | 0 64854            | 0 62450    | 0 95859            | 1 202 42             |                        |                   | 1 334 71             | 21 808 28              |
|         | 2 730 81 | 4 00%    | 1 25% | 0 034051  | 1 120 81         |   | 0 61862            | 0 60057    | 0 95709            | 1 108 10             |                        |                   | 1 334 71             | 24 141 97              |
|         | 2 730 61 | 4 00%    | 1 25% | 0.037211  | 1 397 24         |   | 0.58816            | 0 57748    | 0 95538            | 927 44               |                        |                   | 1 334 71             | 26 508 39              |
|         | 2 730 61 | 4 00%    | 1 25% | 0 045171  | 1 724 43         |   | 0 55708            | 0 55528    | 0 95331            | 844 64               |                        |                   | 1 334 71             | 28 897 37              |
|         | 2 730 81 | 4 00%    | 1 25% | 0.050211  | 2 014 59         |   | 0 52528            | 0 53391    | 0 95092            | 765 78               |                        |                   | 1 334 71             | 31 398 34              |
|         | 2 730 61 | 4 00%    | 1 25% | 0.055881  | 2 355 04         |   | 0 49285            | 0 51337    | 0 94824            | 690 61               |                        |                   | 1 334 71             | 34 021 92              |
|         | 2 730 51 | 4 00%    | 1 25% | 0 062027  | 2 758 10         |   | 0 45932            | 0 49363    | 0 94531            | 819 12               |                        |                   | 1 334 71             | 36 771 29              |
|         | 2 730 61 | 4 00%    | 1 25% | 0 068615  | 3 231 69         |   | 0 42544            | 0 47464    | 0 94218            | 551 40               |                        |                   | 1 334 71             | 39 645 43              |
|         | 2 730 81 | 4 00%    | 1 25% | 0 075532  | 3 825 82         |   | 0 39130            | 0 45639    | 0 93890            | 487 64               |                        |                   | 1 334 71             | 42 592 93              |
|         | 2 730 61 | 4 00%    | 1 25% | 0 082510  | 4 550 20         |   | 0 35722            | 0 43883    | 0 93559            | 428 05               |                        |                   | 1 334 71             | 45 536 85              |
| 23      | 2 730 81 | 4 00%    | 1 25% | 0.039613  | 5 412 22         |   | 0 32365            | 0 42198    | 0 03221            | 372 91               |                        |                   | 1 334 71             | 48 385 89              |
| 24      | 2 730 61 | 4 00%    | 1 25% | 0 097240  | 6 434 32         |   | 0 29096            | 0 40573    | 0 92859            | 322 35               |                        |                   | 1 334 71             | 51 034 00              |
| 25      | 2 730 61 | 4 00%    | 1 25% | 0 105792  | 7 683 69         |   | 0 25939            | 0 39012    | 0 92453            | 276 32               |                        |                   | 1 334 71             | 53 333 05              |
| 28      | 2 730 61 | 4 00%    | 1 25% | 0 115671  | 9 122 11         |   | 0 22905            | 0 37512    | 0 91984            | 234 61               | 720 94                 |                   | 1 334 71             | 55 111 99              |
| 27      | 2 730 61 | 4 00%    | 1 25% | 0 126980  | 10 289 46        |   | 0 20002            | 0.38069    | 0.91447            | 197 00               | 678 65                 |                   | 1 334 71             | 58 743 22              |
| 28      | 2 730 61 | 4 00%    | 1 25% | 0 139452  | 11 601 66        | 1 | 0 17244            | 0 34682    | 0 90855            | 163 30               | 630 39                 |                   | 1 334 71             | 58 177 48              |
| 29      | 2 730 61 | 4 00%    | 1 25% | 0 152931  | 13 072 82        |   | 0 14854            | 0 33346    | 0 90215            | 133 44               | 576 32                 |                   | 1 334 71             | 59 328 58              |
| 30      | 2 730 61 | 4 00%    | 1 25% | 0 167260  | 14 792 00        |   | 0 12258            | 0 32065    | 0 89535            | 107 32               | 520 54                 |                   | 1 334 71             | 59 971 04              |
| 31      | 2 730 61 | 4 00%    | 1 25% | 0 182281  | 18 738 39        |   | 0 10080            | 0 30832    | 0 88822            | 84 88                | 461 99                 |                   | 1 334 71             | 59 811 64              |
| 32      | 2 730 61 | 4 00%    | 1 25% | 0 198392  | 17 782 79        |   | 0 05139            | 0 29648    | 0 88057            | 65 89                | 377 85                 |                   | 1 334 71             | 59 781 95              |
|         | 2 730 61 | 4 00%    | 1 25% | 0 215700  | 16 926 53        |   | 0.08443            | 0 28508    | 0 87235            | 50 t5                |                        |                   | 1 334 71             | 59 870 49              |
|         | 2 730 61 | 4 00%    | 1 25% | 0 233606  | 20 130 62        |   | 0 04990            | 0 27409    | 0 86385            | 37 35                |                        |                   | 1 334 71             | 60 210 19              |
|         | 2 730 61 | 4 00%    | 1.25% | 0 251510  | 21 484 41        |   | 0 03777            | 0 26355    | 0 85535            | 27 18                |                        |                   | 1 334 71             | 60 739 85              |
| 38      | 2 730 61 | 4 00%    | 1 25% | 0 268815  | 22 926 75        |   | 0 02791            | 0 25342    | 0 84714            | 19 32                | 137 39                 |                   | 1 334 71             | 61 434 61              |
|         | 2 730 81 | 4 00%    | 1 25% | 0 285277  | 24 705 50        | i | 0 02016            | 0 24367    | 0 83932            | 13 41                |                        |                   | 1 334 71             | 61 937 49              |
|         | 2 730 61 | 4 00%    | 1 25% | 0 301298  | 26 484 84        |   | 0 01423            | 0 23430    | 0 83172            | 9 10                 |                        |                   | 1 334 71             | 62 168 26              |
|         | 2 730 61 | 4 00%    | 1 25% | 0 317238  | 28 261 95        |   | 0 00982            | 0 22529    | 0 82415            | 6 04                 |                        |                   | 1 334 71             | 62 025 63              |
|         | 2 730 61 | 4 00%    | 1 25% | 0 333461  | 30 043 04        |   | 0 00562            | 0 21862    | 0 81645            | 3 91                 |                        |                   | 1 334 71             | 61 356 20              |
|         | 2 730 61 | 4 00%    | 1 25% | 0 350330  | 31 602 92        |   | 0 00436            | 0 20829    | 0 80844            | 2 48                 |                        |                   | 1 334 71             | 60,209 92              |
|         | 2 730 61 | 4 00%    | 1 25% | 0 368542  | 32 732 47        |   | 0 00279            | 0 20028    | 0.79979            | 1 53                 |                        |                   | 1 334 71             | 58 983 85              |
|         | 2 730 61 | 4 00%    | 1 25% | 0 387855  | 33 935 10        |   | 0 00174            | 0 19257    | 0 79062            | 0 92                 |                        |                   | 1 334 71             | 57 615 34              |
|         | 2 730 61 | 4 00%    | 1 25% | 0 407224  | 35 145 11        |   | 0 00105            | 0 18517    | 0 78143            | 0 53                 |                        |                   | 1 334 71             | 55 941 41              |
|         | 2 730 61 | 4 00%    | 1 25% | 0 425599  | 36 348 21        |   | 0 00062            | 0 17805    | 0 77270            | 0 30                 |                        |                   | 1 334 71             | 53 519 45              |
| 45      | 2 730 61 | 4 00%    | 1 25% | 0 441935  | 37 518 97        |   | 0 00035            | 0 17120    | 0 78495            | 0 16                 |                        |                   | 1 334 71             | 49 360 26              |
|         | 2 730 61 | 4 00%    | 1 25% | 0 457553  | 38 629 04        |   | 0 00019            | 0 16461    | 0 75763            | 0.09                 |                        |                   | 1 334 71             | 41 810 84              |
| 48      | 2 730 61 | 4 00%    | 1 25% | 0 473150  | 38 984 19        |   | 0 00010            | 0 15828    | 0 75013            | 0.04                 |                        |                   | 1 334 71             | 27 420 97              |
| 49      | 2 730 61 | 4 00%    | 1 25% | 0 486745  | 38 567 11        |   | 0 00005            | 0 15219    | 0 74367            | 0 02                 | 0 24                   |                   | 1 334 71             | (0.00)                 |
|         |          |          |       |           |                  |   |                    |            |                    |                      |                        |                   |                      |                        |

# Attachment 4 - Example 2 Sample Calculation of the Reserve

| Issue Date     | 2/17/2003  |
|----------------|------------|
| Paid To Date   | 2/16/2006  |
| Valuation Date | 12/31/2005 |

| Annual Premium Fraction of year to next anniversary     | \$2,730 61<br>0 129    |  |  |
|---|------------------------|--|--|
| V <sub>t-1</sub> V <sub>t</sub>                         | 2,841 69<br>4,353 53   |  |  |
| Contract Reserve (linear interpolation) Premium Reserve | \$4,158 86<br>\$351 61 |  |  |
| Total Reserve   | \$4,510 47             |  |  |

## Attachment 5

Anticipated Policy Reserves for Active Lives

- The following are anticipated statutory policy reserves for the aggregate policy described in section X G of the memo

| Change in Reserve         Total Reserve           1         0           2         1,238,076           3         1,226,574         2,464,650           4         1,206,014         3,670,664           5         1,207,901         4,878,565           6         1,190,591         6,069,157           7         1,170,373         7,239,529           8         1,147,699         8,387,228           9         1,116,603         9,503,831           10         1,085,200         10,589,031           11         1,048,718         11,637,749           12         1,010,826         12,648,575           13         965,940         13,614,515           14         913,191         14,527,707           15         852,461         15,380,168           16         781,964         16,162,132           17         711,971         16,874,103           18         631,040         17,505,142           19         538,706         18,043,849           20         432,737         18,476,585           21         313,801         18,790,387           22         215,715         19,013,853  |    |           |            |   |  |
|--|----|-----------|------------|---|--|
| 1 0 0 0 2 1,238,076 1,238,076 3 1,226,574 2,464,650 4 1,206,014 3,670,664 5 1,207,901 4,878,565 6 1,190,591 6,069,157 7 1,170,373 7,239,529 8 1,147,699 8,387,228 9 1,116,603 9,503,831 10 1,085,200 10,589,031 11 1,048,718 11,637,749 12 1,010,826 12,648,575 13 965,940 13,614,515 14 913,191 14,527,707 15 852,461 15,380,168 16 781,964 16,162,132 17 711,971 16,874,103 18 631,040 17,505,142 19 538,706 18,043,849 20 432,737 18,476,585 21 313,801 18,790,387 22 215,715 19,006,102 23 107,751 19,113,853 24 (8,928) 19,104,925 25 (136,324) 18,968,601 26 (273,348) 18,695,252 27 (352,723) 18,342,529 28 (437,476) 17,905,053 29 (532,913) 17,372,140 30 (637,597) 16,734,543 31 (750,951) 15,983,592 32 (794,036) 15,189,556 33 (845,113) 14,344,443 34 (902,329) 13,442,115 35 (970,364) 12,471,751 36 (1,028,413) 11,433,37 37 (1,011,752) 10,431,585 38 (991,952) 9,439,634 39 (971,406) 8,468,227 40 (956,805) 7,511,422 41 (920,113) 6,591,310 42 (835,980) 5,755,330 43 (756,644) 4,998,686 44 (685,514) 4,313,173 45 (646,807) 3,666,366 46 (573,391) 3,092,975 47 (505,501) 2,587,474 48 (443,031) 2,144,443 49 (387,473) 1,756,971 |    | Change in |            |   |  |
| 2 1,238,076  |    |           |            |   |  |
| 3 1,226,574 2,464,650 4 1,206,014 3,670,664 5 1,207,901 4,878,565 6 1,190,591 6,069,157 7 1,170,373 7,239,529 8 1,147,699 8,387,228 9 1,116,603 9,503,831 10 1,085,200 10,589,031 11 1,048,718 11,637,749 12 1,010,826 12,648,575 13 965,940 13,614,515 14 913,191 14,527,707 15 852,461 15,380,168 16 781,964 16,162,132 17 711,971 16,874,103 18 631,040 17,505,142 19 538,706 18,043,849 20 432,737 18,476,585 21 313,801 18,790,387 22 215,715 19,006,102 23 107,751 19,113,853 24 (8,928) 19,104,925 25 (136,324) 18,968,601 26 (273,348) 18,695,252 27 (352,723) 18,342,529 28 (437,476) 17,905,053 29 (532,913) 17,372,140 30 (637,597) 16,734,543 31 (750,951) 15,983,592 32 (794,036) 15,189,556 33 (845,113) 14,344,443 34 (902,329) 13,442,115 35 (970,364) 12,471,751 36 (1,028,413) 11,443,337 37 (1,011,752) 10,431,585 38 (991,952) 9,439,634 39 (971,406) 8,468,227 40 (956,805) 7,511,422 41 (920,113) 6,591,310 42 (835,980) 5,755,330 43 (756,644) 4,998,686 44 (685,514) 4,313,173 45 (646,807) 3,666,366 46 (573,391) 3,092,975 47 (505,501) 2,587,474 48 (443,031) 2,144,443 49 (387,473) 1,756,971                              |    |           | =          |   |  |
| 4 1,206,014 3,670,664 5 1,207,901 4,878,565 6 1,190,591 6,069,157 7 1,170,373 7,239,529 8 1,147,699 8,387,228 9 1,116,603 9,503,831 10 1,085,200 10,589,031 11 1,048,718 11,637,749 12 1,010,826 12,648,575 13 965,940 13,614,515 14 913,191 14,527,707 15 852,461 15,380,168 16 781,964 16,162,132 17 711,971 16,874,103 18 631,040 17,505,142 19 538,706 18,043,849 20 432,737 18,476,585 21 313,801 18,790,387 22 215,715 19,006,102 23 107,751 19,113,853 24 (8,928) 19,104,925 25 (136,324) 18,968,601 26 (273,348) 18,695,252 27 (352,723) 18,342,529 28 (437,476) 17,905,053 29 (532,913) 17,372,140 30 (637,597) 16,734,543 31 (750,951) 15,983,592 32 (794,036) 15,189,556 33 (845,113) 14,344,443 34 (902,329) 13,442,115 35 (970,364) 12,471,751 36 (1,028,413) 11,443,337 37 (1,011,752) 10,431,585 38 (991,952) 9,439,634 39 (971,406) 8,468,227 40 (956,805) 7,511,422 41 (920,113) 6,591,310 42 (835,980) 5,755,330 43 (756,644) 4,998,686 44 (685,514) 4,313,173 45 (646,807) 3,666,366 46 (573,391) 3,092,975 47 (505,501) 2,587,474 48 (443,031) 2,144,443 49 (387,473) 1,756,971  |    |           |            |   |  |
| 5 1,207,901 4,878,565 6 1,190,591 6,069,157 7 1,170,373 7,239,529 8 1,147,699 8,387,228 9 1,116,603 9,503,831 10 1,085,200 10,589,031 11 1,048,718 11,637,749 12 1,010,826 12,648,575 13 965,940 13,614,515 14 913,191 14,527,707 15 852,461 15,380,168 16 781,964 16,162,132 17 711,971 16,874,103 18 631,040 17,505,142 19 538,706 18,043,849 20 432,737 18,476,585 21 313,801 18,790,387 22 215,715 19,006,102 23 107,751 19,113,853 24 (8,928) 19,104,925 25 (136,324) 18,968,601 26 (273,348) 18,695,252 27 (352,723) 18,342,529 28 (437,476) 17,905,053 29 (532,913) 17,372,140 30 (637,597) 16,734,543 31 (750,951) 15,983,592 32 (794,036) 15,189,556 33 (845,113) 14,344,443 34 (902,329) 13,442,115 35 (970,364) 12,471,751 36 (1,028,413) 11,443,337 37 (1,011,752) 10,431,585 38 (991,952) 9,439,634 39 (971,406) 8,468,227 40 (956,805) 7,511,422 41 (920,113) 6,591,310 42 (835,980) 5,755,330 43 (756,644) 4,998,686 44 (686,514) 4,313,173 45 (646,807) 3,666,366 46 (573,391) 3,092,975 47 (505,501) 2,587,474 48 (443,031) 2,144,443 49 (387,473) 1,756,971  |    |           |            |   |  |
| 6 1,190,591 6,069,157 7 1,170,373 7,239,529 8 1,147,699 8,387,228 9 1,116,603 9,503,831 10 1,085,200 10,589,031 11 1,048,718 11,637,749 12 1,010,826 12,648,575 13 965,940 13,614,515 14 913,191 14,527,707 15 852,461 15,380,168 16 781,964 16,162,132 17 711,971 16,874,103 18 631,040 17,505,142 19 538,706 18,043,849 20 432,737 18,476,585 21 313,801 18,790,387 22 215,715 19,006,102 23 107,751 19,113,853 24 (8,928) 19,104,925 25 (136,324) 18,968,601 26 (273,348) 18,695,252 27 (352,723) 18,342,529 28 (437,476) 17,905,053 29 (532,913) 17,372,140 30 (637,597) 16,734,543 31 (750,951) 15,983,592 32 (794,036) 15,189,556 33 (845,113) 14,344,443 34 (902,329) 13,442,115 35 (970,364) 12,471,751 36 (1,028,413) 11,443,337 37 (1,011,752) 10,431,585 38 (991,952) 9,439,634 39 (971,406) 8,468,227 40 (956,805) 7,511,422 41 (920,113) 6,591,310 42 (835,980) 5,755,330 43 (756,644) 4,998,686 44 (685,514) 4,313,173 45 (646,807) 3,666,366 46 (573,391) 3,092,975 47 (505,501) 2,587,474 48 (443,031) 2,144,443 49 (387,473) 1,756,971  |    |           |            |   |  |
| 7       1,170,373       7,239,529         8       1,147,699       8,387,228         9       1,116,603       9,503,831         10       1,085,200       10,589,031         11       1,048,718       11,637,749         12       1,010,826       12,648,575         13       965,940       13,614,515         14       913,191       14,527,707         15       852,461       15,380,168         16       781,964       16,162,132         17       711,971       16,874,103         18       631,040       17,505,142         19       538,706       18,043,849         20       432,737       18,476,585         21       313,801       18,790,387         22       215,715       19,006,102         23       107,751       19,113,853         24       (8,928)       19,104,925         25       (136,324)       18,968,601         26       (273,348)       18,695,252         27       (352,723)       18,342,529         28       (437,476)       17,905,053         29       (532,913)       17,372,140         30       (63   |    | 1,207,901 |            |   |  |
| 8 1,147,699 8,387,228<br>9 1,116,603 9,503,831<br>10 1,085,200 10,589,031<br>11 1,048,718 11,637,749<br>12 1,010,826 12,648,575<br>13 965,940 13,614,515<br>14 913,191 14,527,707<br>15 852,461 15,380,168<br>16 781,964 16,162,132<br>17 711,971 16,874,103<br>18 631,040 17,505,142<br>19 538,706 18,043,849<br>20 432,737 18,476,585<br>21 313,801 18,790,387<br>22 215,715 19,006,102<br>23 107,751 19,113,853<br>24 (8,928) 19,104,925<br>25 (136,324) 18,968,601<br>26 (273,348) 18,695,252<br>27 (352,723) 18,342,529<br>28 (437,476) 17,905,053<br>29 (532,913) 17,372,140<br>30 (637,597) 16,734,543<br>31 (750,951) 15,983,592<br>32 (794,036) 15,189,556<br>33 (845,113) 14,344,443<br>34 (902,329) 13,442,115<br>35 (970,364) 12,471,751<br>36 (1,028,413) 11,433,37<br>37 (1,011,752) 10,431,585<br>38 (991,952) 9,439,634<br>39 (971,406) 8,468,227<br>40 (956,805) 7,511,422<br>41 (920,113) 6,591,310<br>42 (835,980) 5,755,330<br>43 (756,644) 4,998,686<br>44 (685,514) 4,313,173<br>45 (646,807) 3,666,366<br>46 (573,391) 3,092,975<br>47 (505,501) 2,587,474<br>48 (443,031) 2,144,443<br>49 (387,473) 1,756,971                  |    | 1,190,591 | 6,069,157  |   |  |
| 9 1,116,603 9,503,831 10 1,085,200 10,589,031 11 1,048,718 11,637,749 12 1,010,826 12,648,575 13 965,940 13,614,515 14 913,191 14,527,707 15 852,461 15,380,168 16 781,964 16,162,132 17 711,971 16,874,103 18 631,040 17,505,142 19 538,706 18,043,849 20 432,737 18,476,585 21 313,801 18,790,387 22 215,715 19,006,102 23 107,751 19,113,853 24 (8,928) 19,104,925 25 (136,324) 18,968,601 26 (273,348) 18,695,252 27 (352,723) 18,342,529 28 (437,476) 17,905,053 29 (532,913) 17,372,140 30 (637,597) 16,734,543 31 (750,951) 15,983,592 32 (794,036) 15,189,556 33 (845,113) 14,344,443 34 (902,329) 13,442,115 35 (970,364) 12,471,751 36 (1,028,413) 11,443,337 37 (1,011,752) 10,431,585 38 (991,952) 9,439,634 39 (971,406) 8,468,227 40 (956,805) 7,511,422 41 (920,113) 6,591,310 42 (835,980) 5,755,330 43 (756,644) 4,998,686 44 (685,514) 4,313,173 45 (646,807) 3,666,366 46 (573,391) 3,092,975 47 (505,501) 2,587,474 48 (443,031) 2,144,443 49 (387,473) 1,756,971  | 7  | 1,170,373 | 7,239,529  |   |  |
| 10   | 8  | 1,147,699 | 8,387,228  |   |  |
| 11 1,048,718 11,637,749 12 1,010,826 12,648,575 13 965,940 13,614,515 14 913,191 14,527,707 15 852,461 15,380,168 16 781,964 16,162,132 17 711,971 16,874,103 18 631,040 17,505,142 19 538,706 18,043,849 20 432,737 18,476,585 21 313,801 18,790,387 22 215,715 19,006,102 23 107,751 19,113,853 24 (8,928) 19,104,925 25 (136,324) 18,968,601 26 (273,348) 18,695,252 27 (352,723) 18,342,529 28 (437,476) 17,905,053 29 (532,913) 17,372,140 30 (637,597) 16,734,543 31 (750,951) 15,983,592 32 (794,036) 15,189,556 33 (845,113) 14,344,443 34 (902,329) 13,442,115 35 (970,364) 12,471,751 36 (1,028,413) 11,443,337 37 (1,011,752) 10,431,585 38 (991,952) 9,439,634 39 (971,406) 8,468,227 40 (956,805) 7,511,422 41 (920,113) 6,591,310 42 (835,980) 5,755,330 43 (756,644) 4,998,686 44 (685,514) 4,313,173 45 (646,807) 3,666,366 46 (573,391) 3,092,975 47 (505,501) 2,587,474 48 (443,031) 2,144,443 49 (387,473) 1,756,971  | 9  | 1,116,603 | 9,503,831  |   |  |
| 12 1,010,826 12,648,575 13 965,940 13,614,515 14 913,191 14,527,707 15 852,461 15,380,168 16 781,964 16,162,132 17 711,971 16,874,103 18 631,040 17,505,142 19 538,706 18,043,849 20 432,737 18,476,585 21 313,801 18,790,387 22 215,715 19,006,102 23 107,751 19,113,853 24 (8,928) 19,104,925 25 (136,324) 18,968,601 26 (273,348) 18,968,601 26 (273,348) 18,968,601 26 (273,348) 18,968,601 26 (332,913) 17,372,140 30 (637,597) 16,734,543 31 (750,951) 15,983,592 32 (794,036) 15,189,556 33 (845,113) 14,344,443 34 (902,329) 13,442,115 35 (970,364) 12,471,751 36 (1,028,413) 11,443,337 37 (1,011,752) 10,431,585 38 (991,952) 9,439,634 39 (971,406) 8,468,227 40 (956,805) 7,511,422 41 (920,113) 6,591,310 42 (835,980) 5,755,330 43 (756,644) 4,313,173 45 (646,807) 3,666,366 46 (573,391) 3,092,975 47 (505,501) 2,587,474 48 (443,031) 2,144,443 49 (387,473) 1,756,971   | 10 | 1,085,200 | 10,589,031 | , |  |
| 13 965,940 13,614,515 14 913,191 14,527,707 15 852,461 15,380,168 16 781,964 16,162,132 17 711,971 16,874,103 18 631,040 17,505,142 19 538,706 18,043,849 20 432,737 18,476,585 21 313,801 18,790,387 22 215,715 19,006,102 23 107,751 19,113,853 24 (8,928) 19,104,925 25 (136,324) 18,968,601 26 (273,348) 18,695,252 27 (352,723) 18,342,529 28 (437,476) 17,905,053 29 (532,913) 17,372,140 30 (637,597) 16,734,543 31 (750,951) 15,983,592 32 (794,036) 15,189,556 33 (845,113) 14,344,443 34 (902,329) 13,442,115 35 (970,364) 12,471,751 36 (1,028,413) 11,443,337 37 (1,011,752) 10,431,585 38 (991,952) 9,439,634 39 (971,406) 8,468,227 40 (956,805) 7,511,422 41 (920,113) 6,591,310 42 (835,980) 5,755,330 43 (756,644) 4,998,686 44 (685,514) 4,313,173 45 (646,807) 3,666,366 46 (573,391) 3,092,975 47 (505,501) 2,587,474 48 (443,031) 2,144,443 49 (387,473) 1,756,971  | 11 | 1,048,718 | 11,637,749 |   |  |
| 14 913,191 14,527,707 15 852,461 15,380,168 16 781,964 16,162,132 17 711,971 16,874,103 18 631,040 17,505,142 19 538,706 18,043,849 20 432,737 18,476,585 21 313,801 18,790,387 22 215,715 19,006,102 23 107,751 19,113,853 24 (8,928) 19,104,925 25 (136,324) 18,968,601 26 (273,348) 18,695,252 27 (352,723) 18,342,529 28 (437,476) 17,905,053 29 (532,913) 17,372,140 30 (637,597) 16,734,543 31 (750,951) 15,983,592 32 (794,036) 15,189,556 33 (845,113) 14,344,443 34 (902,329) 13,442,115 35 (970,364) 12,471,751 36 (1,028,413) 11,443,337 37 (1,011,752) 10,431,585 38 (991,952) 9,439,634 39 (971,406) 8,468,227 40 (956,805) 7,511,422 41 (920,113) 6,591,310 42 (835,980) 5,755,330 43 (756,644) 4,998,686 44 (685,514) 4,313,173 45 (646,807) 3,666,366 46 (573,391) 3,092,975 47 (505,501) 2,587,474 48 (443,031) 2,144,443 49 (387,473) 1,756,971  | 12 | 1,010,826 | 12,648,575 |   |  |
| 14 913,191 14,527,707 15 852,461 15,380,168 16 781,964 16,162,132 17 711,971 16,874,103 18 631,040 17,505,142 19 538,706 18,043,849 20 432,737 18,476,585 21 313,801 18,790,387 22 215,715 19,006,102 23 107,751 19,113,853 24 (8,928) 19,104,925 25 (136,324) 18,968,601 26 (273,348) 18,695,252 27 (352,723) 18,342,529 28 (437,476) 17,905,053 29 (532,913) 17,372,140 30 (637,597) 16,734,543 31 (750,951) 15,983,592 32 (794,036) 15,189,556 33 (845,113) 14,344,443 34 (902,329) 13,442,115 35 (970,364) 12,471,751 36 (1,028,413) 11,443,337 37 (1,011,752) 10,431,585 38 (991,952) 9,439,634 39 (971,406) 8,468,227 40 (956,805) 7,511,422 41 (920,113) 6,591,310 42 (835,980) 5,755,330 43 (756,644) 4,998,686 44 (685,514) 4,313,173 45 (646,807) 3,666,366 46 (573,391) 3,092,975 47 (505,501) 2,587,474 48 (443,031) 2,144,443 49 (387,473) 1,756,971  | 13 | 965,940   | 13,614,515 |   |  |
| 15 852,461 15,380,168 16 781,964 16,162,132 17 711,971 16,874,103 18 631,040 17,505,142 19 538,706 18,043,849 20 432,737 18,476,585 21 313,801 18,790,387 22 215,715 19,006,102 23 107,751 19,113,853 24 (8,928) 19,104,925 25 (136,324) 18,968,601 26 (273,348) 18,695,252 27 (352,723) 18,342,529 28 (437,476) 17,905,053 29 (532,913) 17,372,140 30 (637,597) 16,734,543 31 (750,951) 15,983,592 32 (794,036) 15,189,556 33 (845,113) 14,344,443 34 (902,329) 13,442,115 35 (970,364) 12,471,751 36 (1,028,413) 11,443,337 37 (1,011,752) 10,431,585 38 (991,952) 9,439,634 39 (971,406) 8,468,227 40 (956,805) 7,511,422 41 (920,113) 6,591,310 42 (835,980) 5,755,330 43 (756,644) 4,998,686 44 (685,514) 4,313,173 45 (646,807) 3,666,366 46 (573,391) 3,092,975 47 (505,501) 2,587,474 48 (443,031) 2,144,443 49 (387,473) 1,756,971  | 14 |           | 14,527,707 |   |  |
| 16   |    |           |            |   |  |
| 17 711,971 16,874,103 18 631,040 17,505,142 19 538,706 18,043,849 20 432,737 18,476,585 21 313,801 18,790,387 22 215,715 19,006,102 23 107,751 19,113,853 24 (8,928) 19,104,925 25 (136,324) 18,968,601 26 (273,348) 18,695,252 27 (352,723) 18,342,529 28 (437,476) 17,905,053 29 (532,913) 17,372,140 30 (637,597) 16,734,543 31 (750,951) 15,983,592 32 (794,036) 15,189,556 33 (845,113) 14,344,443 34 (902,329) 13,442,115 35 (970,364) 12,471,751 36 (1,028,413) 11,443,337 37 (1,011,752) 10,431,585 38 (991,952) 9,439,634 39 (971,406) 8,468,227 40 (956,805) 7,511,422 41 (920,113) 6,591,310 42 (835,980) 5,755,330 43 (756,644) 4,998,686 44 (685,514) 4,313,173 45 (646,807) 3,666,366 46 (573,391) 3,092,975 47 (505,501) 2,587,474 48 (443,031) 2,144,443 49 (387,473) 1,756,971  |    |           |            | • |  |
| 18       631,040       17,505,142         19       538,706       18,043,849         20       432,737       18,476,585         21       313,801       18,790,387         22       215,715       19,006,102         23       107,751       19,113,853         24       (8,928)       19,104,925         25       (136,324)       18,968,601         26       (273,348)       18,695,252         27       (352,723)       18,342,529         28       (437,476)       17,905,053         29       (532,913)       17,372,140         30       (637,597)       16,734,543         31       (750,951)       15,983,592         32       (794,036)       15,189,556         33       (845,113)       14,344,443         34       (902,329)       13,442,115         35       (970,364)       12,471,751         36       (1,028,413)       11,443,337         37       (1,011,752)       10,431,585         38       (991,952)       9,439,634         39       (971,406)       8,468,227         40       (956,805)       7,511,422         41 </td <td></td> <td></td> <td></td> <td></td> <td></td>   |    |           |            |   |  |
| 19 538,706 18,043,849 20 432,737 18,476,585 21 313,801 18,790,387 22 215,715 19,006,102 23 107,751 19,113,853 24 (8,928) 19,104,925 25 (136,324) 18,968,601 26 (273,348) 18,695,252 27 (352,723) 18,342,529 28 (437,476) 17,905,053 29 (532,913) 17,372,140 30 (637,597) 16,734,543 31 (750,951) 15,983,592 32 (794,036) 15,189,556 33 (845,113) 14,344,443 34 (902,329) 13,442,115 35 (970,364) 12,471,751 36 (1,028,413) 11,443,337 37 (1,011,752) 10,431,585 38 (991,952) 9,439,634 39 (971,406) 8,468,227 40 (956,805) 7,511,422 41 (920,113) 6,591,310 42 (835,980) 5,755,330 43 (756,644) 4,998,686 44 (685,514) 4,313,173 45 (646,807) 3,666,366 46 (573,391) 3,092,975 47 (505,501) 2,587,474 48 (443,031) 2,144,443 49 (387,473) 1,756,971  |    |           | •          |   |  |
| 20   |    |           |            |   |  |
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| 23 107,751 19,113,853 24 (8,928) 19,104,925 25 (136,324) 18,968,601 26 (273,348) 18,695,252 27 (352,723) 18,342,529 28 (437,476) 17,905,053 29 (532,913) 17,372,140 30 (637,597) 16,734,543 31 (750,951) 15,983,592 32 (794,036) 15,189,556 33 (845,113) 14,344,443 34 (902,329) 13,442,115 35 (970,364) 12,471,751 36 (1,028,413) 11,443,337 37 (1,011,752) 10,431,585 38 (991,952) 9,439,634 39 (971,406) 8,468,227 40 (956,805) 7,511,422 41 (920,113) 6,591,310 42 (835,980) 5,755,330 43 (756,644) 4,998,686 44 (685,514) 4,313,173 45 (646,807) 3,666,366 46 (573,391) 3,092,975 47 (505,501) 2,587,474 48 (443,031) 2,144,443 49 (387,473) 1,756,971  |    |           |            |   |  |
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| 25 (136,324) 18,968,601<br>26 (273,348) 18,695,252<br>27 (352,723) 18,342,529<br>28 (437,476) 17,905,053<br>29 (532,913) 17,372,140<br>30 (637,597) 16,734,543<br>31 (750,951) 15,983,592<br>32 (794,036) 15,189,556<br>33 (845,113) 14,344,443<br>34 (902,329) 13,442,115<br>35 (970,364) 12,471,751<br>36 (1,028,413) 11,443,337<br>37 (1,011,752) 10,431,585<br>38 (991,952) 9,439,634<br>39 (971,406) 8,468,227<br>40 (956,805) 7,511,422<br>41 (920,113) 6,691,310<br>42 (835,980) 5,755,330<br>43 (756,644) 4,998,686<br>44 (685,514) 4,313,173<br>45 (646,807) 3,666,366<br>46 (573,391) 3,092,975<br>47 (505,501) 2,587,474<br>48 (443,031) 2,144,443<br>49 (387,473) 1,756,971  |    |           |            |   |  |
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| 38 (991,952) 9,439,634 39 (971,406) 8,468,227 40 (956,805) 7,511,422 41 (920,113) 6,591,310 42 (835,980) 5,755,330 43 (756,644) 4,998,686 44 (685,514) 4,313,173 45 (646,807) 3,666,366 46 (573,391) 3,092,975 47 (505,501) 2,587,474 48 (443,031) 2,144,443 49 (387,473) 1,756,971  |    |           |            |   |  |
| 39 (971,406) 8,468,227<br>40 (956,805) 7,511,422<br>41 (920,113) 6,591,310<br>42 (835,980) 5,755,330<br>43 (756,644) 4,998,686<br>44 (685,514) 4,313,173<br>45 (646,807) 3,666,366<br>46 (573,391) 3,092,975<br>47 (505,501) 2,587,474<br>48 (443,031) 2,144,443<br>49 (387,473) 1,756,971   |    |           |            |   |  |
| 40 (956,805) 7,511,422<br>41 (920,113) 6,591,310<br>42 (835,980) 5,755,330<br>43 (756,644) 4,998,686<br>44 (685,514) 4,313,173<br>45 (646,807) 3,666,366<br>46 (573,391) 3,092,975<br>47 (505,501) 2,587,474<br>48 (443,031) 2,144,443<br>49 (387,473) 1,756,971   |    |           |            |   |  |
| 41 (920,113) 6,591,310<br>42 (835,980) 5,755,330<br>43 (756,644) 4,998,686<br>44 (685,514) 4,313,173<br>45 (646,807) 3,666,366<br>46 (573,391) 3,092,975<br>47 (505,501) 2,587,474<br>48 (443,031) 2,144,443<br>49 (387,473) 1,756,971   |    |           |            |   |  |
| 42 (835,980) 5,755,330<br>43 (756,644) 4,998,686<br>44 (685,514) 4,313,173<br>45 (646,807) 3,666,366<br>46 (573,391) 3,092,975<br>47 (505,501) 2,587,474<br>48 (443,031) 2,144,443<br>49 (387,473) 1,756,971   |    |           |            |   |  |
| 43 (756,644) 4,998,686<br>44 (685,514) 4,313,173<br>45 (646,807) 3,666,366<br>46 (573,391) 3,092,975<br>47 (505,501) 2,587,474<br>48 (443,031) 2,144,443<br>49 (387,473) 1,756,971   |    |           |            |   |  |
| 44 (685,514) 4,313,173<br>45 (646,807) 3,666,366<br>46 (573,391) 3,092,975<br>47 (505,501) 2,587,474<br>48 (443,031) 2,144,443<br>49 (387,473) 1,756,971   |    |           |            |   |  |
| 45 (646,807) 3,666,366<br>46 (573,391) 3,092,975<br>47 (505,501) 2,587,474<br>48 (443,031) 2,144,443<br>49 (387,473) 1,756,971   |    |           |            |   |  |
| 46 (573,391) 3,092,975<br>47 (505,501) 2,587,474<br>48 (443,031) 2,144,443<br>49 (387,473) 1,756,971   |    |           |            |   |  |
| 47 (505,501) 2,587,474<br>48 (443,031) 2,144,443<br>49 (387,473) 1,756,971   |    |           |            |   |  |
| 48 (443,031) 2,144,443<br>49 (387,473) 1,756,971   |    |           |            |   |  |
| 49 (387,473) 1,756,971   |    |           |            |   |  |
|  |    |           |            |   |  |
| 50 (359,928) 1,397,043   |    |           |            |   |  |
|  | 50 | (359,928) | 1,397,043  | 1 |  |

## Component Header SERT-6L7NDC243/00-07/00-00/00

## **Component Header**

Component 07 - Rev 00

Created by Tammy Smasal on 01/19/2006

Assigned To Mary Ann Mason, Bob Grissom,

[Receiver]

Company List Allianz Life Insurance Company

Sent 01/19/2006 03 57 53 PM

Other Authors None

TO1 LTC031 Individual Long Term Care

SERT-6L7NDC243/00-07/00-00/00

Assigned to Reviewer

Initial

None

[Receiver]

None

01/19/2006 04 16 35 PM

Mary Ann Mason, Bob Grissom,

SubTOI LTC03I 001 Qualified

**Tracking Information:** 

State

Virginia 7/26102 Received

Component Status (State)

None

Disposition Date Implementation

State Tracking #

Date

**None** None

Deemer Date Effective Date Requirement

Status

SERFF Tracking #

Component Status (SERFF) &Acknowledged

Delivery Date Reviewer

Reviewer Phone None Reviewer Fax Primary Reviewer None

None None

Component Action

State Specific Code

Component Information:

Component Type

Supporting

Documentation 11-P-Q-VA

Lead Form Number Requirement

LHReadability - Health

Satisfied

Bnef Description

Certificate of Readability

Filer's Notes

None Document(s) None

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

Company Information

Allianz Life Insurance Company of North

America

Contact Smasal, Tammy

File Attachments: VA Certificate of Readability pdf

### Allianz Life Insurance Company of North America 5701 Golden Hills Drive Minneapolis, MN 55416-1297



## **CERTIFICATE OF READABILITY**

| POLICY FORM | 1  | FLESCH SCORE |
|-------------|--|--------------|
| 11-P-Q-VA   | Tax-qualified Long Term Care Insurance Policy            | 51.0         |
| 11-PS-Q     | Policy Schedule  | 51.1*        |
| 11-E-1      | Facility Care Only Policy Endorsement                    | 50 4*        |
| 11-R1       | 3% Lifetime Compound Benefit Increase Rider              | 50 3*        |
| 11-R2       | 4% Lifetime Compound Benefit Increase Rider              | 50 3*        |
| 11-R3       | 5% Lifetime Compound Benefit Increase Rider              | 50.3*        |
| 11-R4       | Two Times Compound Benefit Increase Rider                | 50 2*        |
| 11-R5       | Simple Benefit Increase Rider                            | 50.6*        |
| 11-R6       | Paid Up at Age 65 Rider                                  | 51.0*        |
| 11-R7       | Ten-year Premium Payment Rider                           | 51.1*        |
| 11-R8       | Waiver of Home and Community Care Elimination Period Ric | ler 50 9*    |
| 11-R9       | Coverage Enhancement Rider                               | 50.7*        |
| 11-R10      | Full Indemnity Benefit Rider                             | 50 2*        |
| 11-R11      | Spousal Shared Care Rider                                | 50 8*        |
| 11-R12      | Spousal Waiver of Premium Rider                          | 51.2*        |
| 11-R13      | Household Discount Rider                                 | 51.1*        |
| 11-R14      | Contingent Benefit Upon Lapse Rider                      | 50 1*        |
| 11-R15      | International Coverage Benefit Rider                     | 50 3*        |
| 11-R16      | Coverage Enhancement Rider                               | 50 5*        |

<sup>\*</sup> Flesch Score when read with Policy

It is hereby certified that each policy form listed above meets the minimum reading ease score required in Virginia

The Flesch score was calculated using the text of the entire form ("Text" is as defined by state regulations)

Each form is readable and complies with all applicable state rules and regulations as to size of print, format and arrangement

Date <u>January 19, 2006</u>

Vickie J Hendrickson
Assistant Vice President

## Component Header SERT-6L7NDC243/00-08/00-00/00

## **Component Header**

Component 08 - Rev 00

Sent 01/19/2006 03 57 53 PM

Created by Tammy Smasal on 01/19/2006

Other Authors None

Assigned To Mary Ann Mason, Bob Grissom,

TOI LTC03I Individual Long Term Care

[Receiver]

Company List Allianz Life Insurance Company

SubTOI LTC03I 001 Qualified

**Tracking Information:** 

State

(State)

Date

Virginia

State Tracking # Component Status 7/26102 Received

&Acknowledged

None None

None

None

None

Disposition Date Implementation

Deemer Date

Effective Date Requirement Status

SERFF Tracking #

Component Status (SERFF)

Delivery Date Reviewer

01/19/2006 04 16 35 PM Mary Ann Mason, Bob Grissom,

> [Receiver] None

SERT-6L7NDC243/00-08/00-00/00

Assigned to Reviewer

Initial

None

Reviewer Phone Reviewer Fax None Primary Reviewer None

Component Action

State Specific Code

**Component Information:** 

Component Type

Supporting

Documentation

Lead Form Number

11-P-Q-VA

Requirement N/A

Satisfied

Brief Description

Uniform Transmittal Document

Filer's Notes

None Document(s) None

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

Company Information

Allianz Life Insurance Company of North

Contact

Smasal, Tammy

America

File Attachments

VA transmittal (uniform) pdf, VA uniform transmittal extra pages pdf

#### Component Header SERT-6L7NDC243/00-09/00-00/00

## **Component Header**

Component 09 - Rev 00

Created by Tammy Smasal on 01/19/2006

Assigned To Mary Ann Mason, Bob Grissom,

Company List Allianz Life Insurance Company

Sent 01/19/2006 03 57 53 PM

Other Authors None

TOI LTC03I Individual Long Term Care

SubTOI LTC03I 001 Qualified

Tracking Information:

State Tracking # 7/26102 Component Status Received

(State) Disposition Date

None Implementation None

Date

Deemer Date None Effective Date None Requirement None

Status

SERFF Tracking #

Component Status

(SERFF)

Delivery Date Reviewer

01/19/2006 04 16 36 PM

Initial

None

Assigned to Reviewer

Mary Ann Mason, Bob Grissom,

SERT-6L7NDC243/00-09/00-00/00

[Receiver]

Reviewer Phone None None Reviewer Fax Primary Reviewer None

Component Action

State Specific Code

Component Information:

Component Type

Supporting

Virginia

&Acknowledged

Documentation · 11~P~Q~VA

Lead Form Number

Requirement N/A

Satisfied.

Brief Description Filer's Notes Document(s)

Cover Letter None None

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

Company Information

Allianz Life Insurance Company of North

America

Contact

Smasal, Tammy

File Attachments:

VA GenPro II Filing Letter pdf

#### Allianz Life Insurance Company of North America 5701 Golden Hills Drive Minneapolis, MN 55416-1297



January 19, 2006

State Corporation Commission Bureau of Insurance PO Box 1157 Richmond, VA 23218

RE: Alhanz Life Insurance Company of North America / NAIC 90611 / FEIN #41-1366075 Long Term Care Insurance Policy 11-P-Q-VA, et al

Attached is a list of forms for your review and approval. All forms are new unless otherwise stated and do not supersede any previously filed forms. Allianz Life's licensed agents will sell all forms on a personal contact basis. Please be advised that we will be using the NAIC Shopper's Guide, unless there is a state-specific Shopper's Guide required in your state.

This product will be offered with full underwriting and simplified underwriting. Simplified underwriting is only available when marketing to sponsoring employer groups. There is a minimum participation requirement (5% of eligible employees), or a minimum number of approved applications requirement (10), whichever is greater, in order for the sponsoring employer group to be approved and to receive discounted premium rates

Form 11-P-Q-VA is a guaranteed renewable tax qualified long term care insurance policy. The policy will pay the actual charges incurred, up to the elected facility care daily benefit, for care received while the insured is confined in a nursing facility or an assisted living facility. The policy will also pay the actual expenses incurred up to the home and community care daily benefit (70%, 100%, or 130% of the facility care daily benefit) for covered services such home health care services, adult day services, and hospice care services.

Eligibility for benefits is based on the inability to perform at least 2 out of 6 activities of daily living or severe cognitive impairment. Benefits are payable after the satisfaction of a 7, 30, 60, 90, 180, or 365-day elimination period. Once the elimination period has been satisfied, no future elimination period will be required. Days may be accumulated under separate claims in order to satisfy the elimination period.

The policies will be issued to insureds age 18-84 (age last birthday). The daily benefit amount available ranges from \$50 to \$500 in increments of \$10. The insured may elect a benefit period of 2, 3, 4, 5, or 8 years, or elect a lifetime benefit period.

As described in the actuarial memorandum, discounted premiums will be available for endorsed groups, Allianz employees, agents, and their families, current Allianz Life annuity contract or life insurance policy owners, those who are married, household contracts, and spousal contracts. Household coverage is available for two people who live in the same household and both have or are issued Allianz Life long term care insurance contracts that are still in force. Spousal coverage is available for two people who are married, live in the same household, and are both issued contracts. In the case of household and spousal coverage, each insured has their own individual policy so that all policy benefits, provisions, and eligibility rules will be applied separately for each insured.

Other benefits provided by the policy are as follows

Waiver of Premium Benefit – If the insured is chronically ill and has satisfied the elimination period, we will waive each premium that comes due, according to the mode of premium in effect at the time the insured became eligible for benefits. Once the insured is no longer chronically ill, the waiver ends, and the insured is put back on schedule with the previous billing mode. When billing is back on schedule, regular billing resumes.

Respite Care Benefit – If the insured is chronically ill and is normally cared for by an informal caregiver, we will pay the actual daily charges incurred for each day of facility care, up to the facility care daily benefit elected, or the actual expenses incurred for each day of home and community care, up to the home and community care daily benefit elected. This benefit temporarily relieves an informal caregiver who is providing care to the insured in the insured's home. This benefit is payable for a maximum of 30 days per calendar year.

Bed Reservation Benefit - If the insured is receiving benefit payments and confined in a nursing facility or an assisted living facility, we will continue to pay benefits if the insured becomes hospitalized or temporarily leaves the facility. This benefit is payable for a maximum of 60 days per calendar year.

Caregiver Training Benefit – If the insured is chronically ill, we will pay the expenses incurred for an informal caregiver to receive training to take care of the insured in the insured's home, up to the maximum caregiver training benefit, which is equal to five times the facility care daily benefit

Alternative Plan of Care Benefit – An alternative plan of care is available if agreed to by the insured, the licensed health care practitioner, and the company Services may include equipment purchases or rentals, permanent or temporary modifications to the insured's home (such as ramps or rails), or care services not normally covered under other benefit provisions

Care Coordination Advisor Benefit – The insured may choose to receive access to care management professionals who will work with the insured, his or her family, and his or her licensed health care practitioner to determine and monitor care. This includes assessment of the situation of the insured and investigation of available care resources. This service is not required for the insured to obtain benefits under the contract. If used, this service will not accumulate toward the maximum lifetime benefit.

The following riders are not options at the time of application. Rather, they will be automatically attached in certain circumstances

Form 11-R9 is a Coverage Enhancement Rider. This rider provides the insured, every five years, any of the following enhancement options (1) increase the facility care daily benefit to reflect the seasonally adjusted consumer price index for nursing homes and adult day care, (2) decrease the elimination period to the next available elimination period, and (3) increase the benefit period to the next available benefit period. This rider will be attached to all policies where full underwriting was completed and the Full Indemnity Benefit Rider was NOT elected.

Form 11-R16 is a Coverage Enhancement Rider. This rider provides the insured, every five years, the enhancement option to increase the facility care daily benefit to reflect the seasonally adjusted consumer price index for nursing homes and adult day care. This rider will be attached to all policies where simplified underwriting was completed or where full underwriting was completed and the Full Indemnity Benefit Rider was elected.

Form 11-R14 is a Contingent Benefit Upon Lapse Rider—Each time premiums are increased above the level defined by the state as a "substantial premium increase," the insured may choose either a reduction of policy benefits so that premiums are not increased, or a conversion of the policy to paid-up status with a shortened benefit period—This rider will be attached to all policies that do not include the Shortened Benefit Rider

Form 11-R15 is an International Coverage Benefit Rider. This rider provides benefits if the insured meets the requirements under the Eligibility for the Payment of Benefits section in the policy and requires qualified long term care services while outside the fifty states of the United States, the District of Columbia, or Canada

The following endorsement is not an option at the time of application. Rather, it will be used as a counteroffer if an applicant does not meet our underwriting guidelines for both facility care and home and community care.

Form 11-E-1 is a Facility Care Only Policy Endorsement. This endorsement deletes any reference in the policy to "Home and Community Care," therefore making it a Facility Care Only Policy. This endorsement will only be used if an applicant does not meet our underwriting guidelines for both facility care and home and community care. In order to offer the applicant some level of coverage, we may offer facility care only coverage.

Several optional benefits and riders are available for inclusion in, or attachment to, the policy With respect to the optional benefits, if an optional benefit is elected on the application, applicable language that is currently bracketed in the policy and/or riders and endorsements will appear. This also occurs in the reverse if an optional benefit is not

elected, in that applicable language that is bracketed will not appear. A statement of variability outlining these situations is attached

#### **Optional Benefits**

Calendar Day Elimination Period This benefit credits, toward the elimination period, each day that the insured is chronically ill from the first day that the insured receives care

Home and Community Care Monthly Benefit This benefit pays the home and community care benefit on a monthly basis rather than on a daily basis

Monthly Indemnity Benefit This benefit provides a cash benefit amount in any month that a benefit payment is received under the facility care benefit or home and community care benefit

Return of Premium Upon Death Benefit This benefit returns all premiums paid, less any benefits paid, to the named beneficiary, or to the estate if no beneficiary has been designated, if the contract terminates because of the insured's death

Full Return of Premium Upon Death Benefit This benefit returns all premiums paid to the named beneficiary, or to the estate if no beneficiary has been designated, if the contract terminates because of the insured's death

Restoration of Benefits If benefits have been paid and deducted from the maximum lifetime benefit, this rider restores the maximum lifetime benefit if, for a period of 180 consecutive days, the contract is in force, the insured is not receiving benefit payments, and the insured is no longer chronically ill. The maximum lifetime benefit may be restored an unlimited number of times

### **Optional Riders**

Form 11-R1 is a 3% Lifetime Compound Benefit Increase Rider. This rider provides compound 3% inflation protection. Each year, the facility care daily benefit and home and community care daily benefit will be increased by 3% from the previous year's amount. The monthly indemnity benefit (if the monthly indemnity benefit option is elected) and indemnity benefit (if the full indemnity benefit rider is elected) will also be increased by 3% from the previous year's amount. Lastly, the remaining maximum lifetime benefit will be increased by 3%.

Form 11-R2 is a 4% Lifetime Compound Benefit Increase Rider. This rider provides compound 4% inflation protection. Each year, the facility care daily benefit and home and community care daily benefit will be increased by 4% from the previous year's amount. The monthly indemnity benefit (if the monthly indemnity benefit option is elected) and indemnity benefit (if the full indemnity benefit rider is elected) will also be increased by 4% from the previous year's amount. Lastly, the remaining maximum lifetime benefit will be increased by 4%

Form 11-R3 is a 5% Lifetime Compound Benefit Increase Rider. This rider provides compound 5% inflation protection. Each year, the facility care daily benefit and home and community care daily benefit will be increased by 5% from the previous year's amount. The monthly indemnity benefit (if the monthly indemnity benefit option is elected) and indemnity benefit (if the full indemnity benefit rider is elected) will also be increased by 5% from the previous year's amount. Lastly, the remaining maximum lifetime benefit will be increased by 5%.

Form 11-R4 is a Two Times Compound Benefit Increase Rider. This rider provides compound 5% inflation protection. Each year, the facility care daily benefit and home and community care daily benefit will be increased by 5% from the previous year's amount. The monthly indemnity benefit (if the monthly indemnity benefit option is elected) and indemnity benefit (if the full indemnity benefit rider is elected) will also be increased by 5% from the previous year's amount. Lastly, the remaining maximum lifetime benefit will be increased by 5%. These increases will occur until the current facility care daily benefit first exceeds two times the original facility care daily benefit.

Form 11-R5 is a Simple Benefit Increase Rider. This rider provides simple 5% inflation protection. Each year, the facility care daily benefit and home and community care daily benefit will be increased by 5% of the amount shown on the current policy schedule. The monthly indemnity benefit (if the monthly indemnity benefit option is elected) and indemnity benefit (if the full indemnity benefit rider is elected) will also be increased by 5% of the amounts shown on the current policy schedule. Lastly, the remaining maximum lifetime benefit will increase by the same proportion as the increase in the daily benefits.

Form 11-R6 is a Paid Up at Age 65 Rider. If the insured has paid the required premium each year until the first Policy Anniversary after the insured's 65th birthday, this rider provides a paid-up contract.

Form 11-R7 is an Ten-Year Premium Payment Rider If the insured has paid the required premium for ten policy years, this rider provides a paid-up contract

Form 11-R8 is a Waiver of Home and Community Care Elimination Period Rider. This rider waives the requirement to satisfy the elimination period if the insured is receiving home and community care.

Form 11-R10 is a Full Indemnity Benefit Rider. This rider provides a cash benefit amount, in lieu of reimbursement of the facility care daily benefit or home and community care daily benefit, in any month that the insured is chronically ill and has satisfied the elimination period.

Form 11-R11 is a Spousal Shared Care Rider. This rider allows the insured to access the insured spouse's available benefits, up to the spousal shared care benefit amount, once the insured exhausts his or her maximum lifetime benefit. The spousal shared care benefit amount is calculated as the maximum lifetime benefit, less the total of all claims paid, [less 365 times the facility care daily benefit,] in effect at the time of claim.

Form 11-R12 is a Spousal Waiver of Premium Rider This rider waives the insured's premium as it comes due if the insured spouse's premiums are being waived

Form 11-R13 is a Household Discount Rider. This rider provides a premium discount if the insured is living with someone who has an in force, or is issued an, Allianz Life long term care insurance contract.

Form 11-A-FULL is the "customizable," full underwriting application for long term care insurance—The applicant may customize a plan to meet their needs

Form 11-A-SIMP is the "customizable," simplified underwriting application for long term care insurance. The applicant may customize a plan to meet their needs

Form 11-A-SEL-FULL is the "packages," full underwriting application for long term care insurance. For simplicity, the applicant may choose from three benefit packages

Form 11-A-SEL-SIMP is the "packages," simplified underwriting application for long term care insurance. For simplicity, the applicant may choose from three benefit packages

Form 11-OC-Q-FULL-VA is the "customizable," full underwriting outline of coverage provides a brief description of the important features of the policy and available riders

Form 11-OC-Q-SIMP-VA is the "customizable," simplified underwriting outline of coverage. The outline of coverage provides a brief description of the important features of the policy and available riders.

Form 11-OC-Q-SEL-FULL-VA is the "packages," full underwriting outline of coverage provides a brief description of the important features of the policy and available riders

Form 11-OC-Q-SEL-SIMP-VA is the "packages," simplified outline of coverage. The outline of coverage provides a brief description of the important features of the policy and available riders.

The simplified underwriting applications and outlines of coverage are only available when marketing to sponsoring employer groups. Employees are only eligible to apply if they are actively at work and have been working a minimum of 30 hours per week for the past six months. Spouses/domestic partners are only eligible to apply if their premiums will be paid by the sponsoring employer group. All policies will have the same rate class. This simplified underwriting concept is anticipated to be marketed to sponsoring employer groups with 50-250 employees.

{

The following riders will be used with this product and were previously approved by the Department on 10/22/2003

Form 10-R8-VA is a Shortened Benefit Rider—If the contract lapses after 3 years due to nonpayment of premium, this rider will continue coverage until the total of benefits paid, including benefits paid before lapse, equals the premiums paid. The benefit would never be less than thirty times the facility care daily benefit in effect at the time of lapse.

Form 10-R17 is a Married Discount Rider This rider provides a premium discount if the insured is married

Form 10-R18 is a Spousal Discount Rider This rider provides a premium discount if both the insured and an insured spouse, with whom the insured is living and to whom the insured is married, are issued contracts

Form 10-R21 is a Spousal Survivorship Rider. This rider provides a paid-up contract if both insureds' contracts have been in force for ten policy years and then the insured spouse dies.

For your information, as required by the Long Term Care Insurance Model Regulation, enclosed is a personal worksheet, Form WS1, and a potential rate increase disclosure, Form PRD These forms will be provided upon solicitation and may be used with other products filed in the future

Additional items enclosed relevant to this filing are the Actuarial Memorandum and other materials required by the Department

The application and riders may be used with other forms filed in the future

To the best of our knowledge and belief, the above forms conform to all State Insurance Statutes, Regulations and Department requirements

Please do not hesitate to call me with any questions you may have at 800-328-5601, extension 32804 Thank you for your consideration

Sincerely,

Tammy Smasal
Sr Compliance Analyst
Product/Forms Filing Compliance
E-mail tammy\_smasal@allianzlife com
Fax 763/582-6495

## Component Header SERT-6L7NDC243/00-10/00-00/00

## **Component Header**

Component 10 - Rev 00

Sent 01/19/2006 03 57 53 PM

Created by Tammy Smasal on 01/19/2006

Other Authors None TO1 LTC03I Individual Long Term Care

Assigned To Mary Ann Mason, Bob Grissom,

Company List Allianz Life Insurance Company

SubTOI LTC03I 001 Qualified

Tracking Information:

State Tracking #

Virginia 7/26102

SERFF Tracking #

SERT-6L7NDC243/00-10/00-00/00

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Approved

Component Status (SERFF)

Assigned to Reviewer

Disposition Date

Delivery Date None

01/19/2006 04 16 36 PM

Implementation

Reviewer

Mary Ann Mason, Bob Grissom, [Receiver]

Date Deemer Date None None

Reviewer Phone

None **None** 

Effective Date Requirement Status

None None Reviewer Fax Primary Reviewer

None

Component Information:

Component Type

11-P-Q-VA

Component Action

Initial

Lead Form Number Form Title

3% Lifetime Compound Benefit Increase Rider,

State Specific Code Company Form Number None 11-R1, et al

et al

Readability Score

see cert

Replaces Form Number

N/A

Requirement

Satisfied

N/A

**Brief Description** 

3% Lifetime Compound Benefit Increase Rider, et al.

Filer's Notes Document(s) None None

Company Contact:

Lead Company

Allianz Life Insurance Company of North America

1

Company Information

Contact

Allianz Life Insurance Company of North

Smasal, Tammy

America

File Attachments.

3% Lifetime Compound Benefit Increase Rider (11-R1) pdf, 4% Lifetime Compound Benefit Increase Rider (11-R2) pdf, 5% Lifetime Compound Benefit Increase Rider (11-R3) pdf, Two Times Compound Benefit Increase Rider (11-R4) pdf, Simple Benefit Increase Rider (11-R5) pdf

## 3% LIFETIME COMPOUND BENEFIT INCREASE RIDER

This Rider increases your benefits each year to provide some protection against the rising cost of long term care, subject to the conditions listed below.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

#### Definition

Remaining Lifetime Benefit on the current Policy Anniversary is the Maximum Lifetime Benefit on the previous Policy Anniversary less the total of all claims paid up to the current Policy Anniversary

### Lifetime Compound Benefit Increase

On each Policy Anniversary, the benefits provided by the Contract will be increased as follows

- 1 The Facility Care Daily Benefit and Home and Community Care [Daily] [Monthly] Benefit will be increased by 3% of the amount in effect on the previous Policy Anniversary
- 2 [The Monthly Indemnity Benefit will be increased by 3% of the amount in effect on the previous Policy Anniversary]
- 3 [The Indemnity Benefit will be increased by 3% of the amount in effect on the previous Policy Anniversary]
- 4 The Maximum Lifetime Benefit will be increased by 3% of the Remaining Lifetime Benefit

The annual increases will occur even if benefits are being paid

If the Facility Care Daily Benefit has been reduced since the previous Policy Anniversary, the annual increases will be based on the benefit amounts after the decrease, not the benefit amounts on the previous Policy Anniversary

#### Cancellation

If you Cancel this Rider, you will forfeit all increases provided under the Lifetime Compound Benefit Increase provision

mil

Signed for the Company at the Home Office, and effective on the Effective Date of the policy

[Suzanne J Pepin] [Senior Vice President, Secretary and Chief Legal Officer]

#### 4% LIFETIME COMPOUND BENEFIT INCREASE RIDER

This Rider increases your benefits each year to provide some protection against the rising cost of long term care, subject to the conditions listed below

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

#### Definition

Remaining Lifetime Benefit on the current Policy Anniversary is the Maximum Lifetime Benefit on the previous Policy Anniversary less the total of all claims paid up to the current Policy Anniversary

#### Lifetime Compound Benefit Increase

On each Policy Anniversary, the benefits provided by the Contract will be increased as follows

- 1 The Facility Care Daily Benefit and Home and Community Care [Daily] [Monthly] Benefit will be increased by 4% of the amount in effect on the previous Policy Anniversary
- 2 [The Monthly Indemnity Benefit will be increased by 4% of the amount in effect on the previous Policy Anniversary ]
- 3 [The Indemnity Benefit will be increased by 4% of the amount in effect on the previous Policy Anniversary]
- 4 The Maximum Lifetime Benefit will be increased by 4% of the Remaining Lifetime Benefit

The annual increases will occur even if benefits are being paid

If the Facility Care Daily Benefit has been reduced since the previous Policy Anniversary, the annual increases will be based on the benefit amounts after the decrease, not the benefit amounts on the previous Policy Anniversary

#### Cancellation

If you Cancel this Rider, you will forfeit all increases provided under the Lifetime Compound Benefit Increase provision

mil

Signed for the Company at the Home Office, and effective on the Effective Date of the policy

[Suzanne J Pepin] [Senior Vice President, Secretary

and Chief Legal Officer]

#### 5% LIFETIME COMPOUND BENEFIT INCREASE RIDER

This Rider increases your benefits each year to provide some protection against the rising cost of long term care, subject to the conditions listed below

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

#### Definition

Remaining Lifetime Benefit on the current Policy Anniversary is the Maximum Lifetime Benefit on the previous Policy Anniversary less the total of all claims paid up to the current Policy Anniversary

### Lifetime Compound Benefit Increase

On each Policy Anniversary, the benefits provided by the Contract will be increased as follows

- 1 The Facility Care Daily Benefit and Home and Community Care [Daily] [Monthly] Benefit will be increased by 5% of the amount in effect on the previous Policy Anniversary
- 2 [The Monthly Indemnity Benefit will be increased by 5% of the amount in effect on the previous Policy Anniversary]
- 3 [The Indemnity Benefit will be increased by 5% of the amount in effect on the previous Policy Anniversary ]
- 4 The Maximum Lifetime Benefit will be increased by 5% of the Remaining Lifetime Benefit

The annual increases will occur even if benefits are being paid

If the Facility Care Daily Benefit has been reduced since the previous Policy Anniversary, the annual increases will be based on the benefit amounts after the decrease, not the benefit amounts on the previous Policy Anniversary

#### Cancellation

If you Cancel this Rider, you will forfeit all increases provided under the Lifetime Compound Benefit Increase provision

Signed for the Company at the Home Office, and effective on the Effective Date of the policy

[Suzanne J Pepin] [Senior Vice President, Secretary and Chief Legal Officer]

#### TWO TIMES COMPOUND BENEFIT INCREASE RIDER

This Rider Increases your benefits for a limited number of years to provide some protection against the rising cost of long term care, subject to the conditions listed below

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

#### Definition

Daily Benefit is the Facility Care Daily Benefit [and Home and Community Care Daily Benefit]

[Monthly Benefit is the [Home and Community Care Monthly Benefit] [and] [Monthly Indemnity Benefit] [Indemnity Benefit] [

Remaining Lifetime Benefit on the current Policy Anniversary is the Maximum Lifetime Benefit on the previous Policy Anniversary less the total of all claims paid up to the current Policy Anniversary

#### Two Times Compound Benefit Increase

On each Policy Anniversary, the benefits provided by the Contract will increase as follows

- 1 The Daily Benefit will increase by 5% of the amount in effect on the previous Policy Anniversary
- 2 [The Monthly Benefit will increase by 5% of the amount in effect on the previous Policy Anniversary]
- 3 The Maximum Lifetime Benefit will be increased by 5% of the Remaining Lifetime Benefit

Annual increases will occur each year until the current Daily Benefit [and Monthly Benefit] first exceeds two times the original Daily Benefit [and Monthly Benefit] No increases will occur beyond this time

The annual increases will occur even if benefits are being paid

If the Facility Care Daily Benefit has been reduced since the previous Policy Anniversary, the annual increases will be based on the benefit amounts after the decrease, not the benefit amounts on the previous Policy Anniversary

#### Cancellation

If you Cancel this Rider, you will forfeit all increases provided under the Two Times Compound Benefit Increase provision

me

Signed for the Company at the Home Office, and effective on the Effective Date of the policy

[Suzanne J Pepin]
[Senior Vice President, Secretary
and Chief Legal Officer]

#### SIMPLE BENEFIT INCREASE RIDER

This Rider increases your benefits each year to provide some protection against the rising cost of long term care, subject to the conditions listed below.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

#### Definition

Remaining Lifetime Benefit on the current Policy Anniversary is the Maximum Lifetime Benefit on the previous Policy Anniversary less the total of all claims paid up to the current Policy Anniversary

## Lifetime Simple Benefit Increase

On each Policy Anniversary, the benefits provided by the Contract will be increased as follows

- 1 The Facility Care Daily Benefit and Home and Community Care [Daily] [Monthly] Benefit will be increased by 5% of the amount shown on the current Policy Schedule
- 2 [The Monthly Indemnity Benefit will be increased by 5% of the amount shown on the current Policy Schedule ]
- 3 [The Indemnity Benefit will be increased by 5% of the amount shown on the current Policy Schedule ]
- 4 The Maximum Lifetime Benefit will also increase. The amount of the increase is equal to the Remaining Lifetime Benefit, multiplied by 5% of the Facility Care Daily Benefit shown on the current Policy Schedule, and divided by the Facility Care Daily Benefit before its increase in #1 above.

The annual increases will occur even if benefits are being paid

#### Cancellation

If you Cancel this Rider, you will forfeit all increases provided under the Lifetime Simple Benefit Increase provision

Signed for the Company at the Home Office, and effective on the Effective Date of the policy

[Suzanne J Pepin]
[Senior Vice President, Secretary

[Mark Zesbaugh] [President] and Chief Legal Officer]

### Component Header SERT-6L7NDC243/00-11/00-00/00

## **Component Header**

Component 11 - Rev 00

Created by Tammy Smasal on 01/19/2006

Assigned To Mary Ann Mason, Bob Grissom,

Company List Allianz Life Insurance Company

Sent 01/19/2006 03 57 53 PM

Other Authors None

TOI LTC03I Individual Long Term Care

SubTO1 LTC03I 001 Qualified

**Tracking Information:** 

Virginia State Tracking #

Component Status (State) Disposition Date

Implementation

Deemer Date

Date

Approved

7/26102

None None

None

Effective Date None Requirement None Status

SERFF Tracking #

Component Status

(SERFF)

Delivery Date Reviewer

Reviewer Phone

Component Action

State Specific Code

Replaces Form

Number

Company Form Number

Reviewer Fax Primary Reviewer SERT-6L7NDC243/00-11/00-00/00 Assigned to Reviewer

01/19/2006 04 16 37 PM Mary Ann Mason, Bob Grissom,

[Receiver]

Initial

None

N/A

11-R6, et al

None None None

**Component Information:** 

Component Type

Lead Form Number

Form Title

Readability Score

Rider, et al

N/A

see cert

11-P-Q-VA

Paid Up at Age 65

Paid Up at Age 65 Rider, et al

Requirement

Satisfied

Brief Description

Filer's Notes None Document(s) None

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

Company Information

Allianz Life Insurance Company of North Атепса

Contact Smasal, Tammy

File Attachments

Paid Up at Age 65 Rider (11-R6) pdf, Ten Year Premium Pmt Rider

(11-R7) pdf

## PAID UP AT AGE 65 RIDER

## This Rider provides you with a paid-up Contract once you have paid the required premium until age 65

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

Paid Up at Age 65 Option

To renew the Contract, you must pay the premium due by the premium due date or within the Grace Period

If you have paid the required premium each year until the first Policy Anniversary following your 65<sup>th</sup> birthday, this Rider will provide you with a paid-up Contract. Premium paid includes premium waived under the Waiver of Premium Benefit provision under the Additional Benefits section in the policy.

The Contract will then be automatically renewed for the rest of your life with no further premium due

Signed for the Company at the Home Office, and effective on the Effective Date of the policy

[Suzanne J Pepin] [Senior Vice President, Secretary

and Chief Legal Officer]

## TEN-YEAR PREMIUM PAYMENT RIDER

## This Rider provides you with a paid-up Contract once you have paid the required premium for 10 years

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the contract except as stated in this Rider.

Ten-Year Premium Payment Option To renew the Contract, you must pay the premium due by the premium due date or within the Grace Period

Once you have paid the required premium for ten Policy Years, this Rider will provide you with a paid-up Contract Premium paid includes premium waived under the Waiver of Premium Benefit provision under the Additional Benefits section in the policy

The Contract will then be automatically renewed for the rest of your life with no further premium due

Signed for the Company at the Home Office and effective on the Effective Date of the policy

[Suzanne J Pepin] [Senior Vice President, Secretary and Chief Legal Officer]

## Component Header SERT-6L7NDC243/00-12/00-00/00

## **Component Header**

Component 12 - Rev 00

Sent 01/19/2006 03 57 53 PM

Created by Tammy Smasal on 01/19/2006

Other Authors None

Assigned To Mary Ann Mason, Bob Grissom,

TOI LTC03I Individual Long Term Care

[Receiver]

Company List Allianz Life Insurance Company

SubTOI LTC03I 001 Qualified

Tracking Information:

Virginia

State Tracking #

7/26102

SERFF Tracking # Component Status

SERT-6L7NDC243/00-12/00-00/00

Component Status (State)

Approved

(SERFF)

Assigned to Reviewer

Disposition Date None Delivery Date

01/19/2006 04 16 36 PM

Implementation None

Mary Ann Mason, Bob Grissom,

Date

Reviewer

Deemer Date

None

[Receiver]

Effective Date Requirement

None None

Reviewer Phone Reviewer Fax Primary Reviewer None None None

Status

**Component Information:** 

Component Type Lead Form Number

11-P-Q-VA

Component Action State Specific Code Initial

Form Title

Waiver of HCC Elimination Period Company Form Number

None 11-R8

Rider

N/A

see cert

Replaces Form

Number

N/A

Requirement

Satisfied

Brief Description

Readability Score

Waiver of HCC Elimination Period Rider

Filer's Notes Document(s) None None

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

Company Information

Contact

Allianz Life Insurance Company of North

Smasal, Tammy

America

File Attachments:

Waiver of HCC Elimination Period Rider (11-R8) pdf

## WAIVER OF HOME AND COMMUNITY CARE ELIMINATION PERIOD RIDER

This Rider waives the Elimination Period if you are receiving Home and Community Care, subject to the conditions listed below.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

Home and Community Care Walver of Elimination Period Benefit The Elimination Period will be waived while you are Chronically III and are receiving Home and Community Care In addition, each day that you receive Benefit Payments for Home and Community Care will count toward the Elimination Period

You must satisfy the remainder of the Elimination Period, if any, to be eligible for Benefit Payments under the Facility Care Benefit

If you have fully satisfied the Elimination Period for the Facility Care Benefit, the premium charge for this Rider will cease

Waiver of Premium Benefit If you are Chronically III, we will waive your premium as it comes due beginning with the first premium due after the first day that you receive Home and Community Care

We will continue to waive each premium that comes due according to the Mode of Payment in effect at the time you become eligible for this benefit, as long as you continue to be Chronically III. Once you recover and are no longer Chronically III, you must pay each premium that comes due according to the Mode of Payment currently in effect

Signed for the Company at the Home Office, and effective on the Effective Date of the policy

[Suzanne J Pepin] [Senior Vice President, Secretary

and Chief Legal Officer]

## Component Header SERT-6L7NDC243/00-13/00-00/00

## Component Header

Component 13 - Rev 00

Sent 01/19/2006 03 57 53 PM

Created by Tammy Smasal on 01/19/2006

Other Authors None

Assigned To Mary Ann Mason, Bob Grissom,

TOI LTC03I Individual Long Term Care

Company List Allianz Life Insurance Company

SubTOI LTC03I 001 Qualified

**Tracking Information:** 

State

Virginia

State Tracking #

7/26102

SERFF Tracking #

SERT-6L7NDC243/00-13/00-00/00

Component Status (State)

Approved

Component Status (SERFF)

Assigned to Reviewer

Disposition Date

None

Delivery Date

01/19/2006 04 16 37 PM

Implementation

Mary Ann Mason, Bob Grissom,

Date

None

Reviewer

Deemer Date

[Receiver]

Effective Date Requirement

None None None Reviewer Phone Reviewer Fax Primary Reviewer None None None

Status

Component Information:

Component Type Lead Form Number

11--P--Q-VA

Component Action

Initial

Form Title

Coverage Enhancement

State Specific Code Company Form Number None 11-R9, 11-R16

Rider see cert

Replaces Form

Number

N/A

Requirement

Satisfied

Readability Score

N/A

Brief Description

Coverage Enhancement Rider

Filer's Notes Document(s) None None

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

Company Information

Contact

Allianz Life Insurance Company of North

Smasal, Tammy

America

File Attachments.

Coverage Enhancement Rider (11-R9) pdf, Coverage Enhancement Rider

(simp uw) (11-R16) pdf

#### COVERAGE ENHANCEMENT RIDER

## This Rider provides you the option, every five years, to enhance your coverage without underwriting.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

#### Definitions

**Daily Benefit** is the Facility Care Daily Benefit [and Home and Community Care Daily Benefit]

[Monthly Benefit is the [Home and Community Care Monthly Benefit] [and] [Monthly Indemnity Benefit]

**Option Date** is the fifth Policy Anniversary, and each subsequent fifth Policy Anniversary

Remaining Lifetime Benefit on the current Policy Anniversary is the Maximum Lifetime Benefit on the previous Policy Anniversary less the total of all claims paid up to the current Policy Anniversary

#### **Enhancement Options**

On the Option Date, any of the following Enhancement Options are available without underwriting at an additional premium

1 Increase the Daily Benefit [and Monthly Benefit] to reflect the increase in the Seasonally Adjusted Consumer Price Index for Nursing Homes and Adult Day Care (Consumer Price Index) The increase in the Consumer Price Index for the first Option Date is for the five-year period shown on the Policy Schedule The same months will be used in determining the five-year period for subsequent Option Dates

The increase in the Daily Benefit [and Monthly Benefit], if any, is the amount that will make the cumulative increase in the Daily Benefit [and Monthly Benefit], for the five-year period ending on the Option Date, the lesser of the increase in the Consumer Price Index or [50%], but not less than [15%]

The Maximum Lifetime Benefit will increase by the same percentage of the Remaining Lifetime Benefit

If the publication of the Consumer Price Index is discontinued or if its calculation is changed substantially, we will substitute a comparable index.

- 2 Decrease the Elimination Period to the next available Elimination Period, and
- 3 Increase the Benefit Period to the next available Benefit Period However, the Benefit Period may not be increased to the Lifetime Benefit Period

The Enhancement Options must be elected in writing on the form that we provide. The amount of the premium increase will be indicated on this form. This form will be sent to you at least 60 days before the Option Date and must be returned to us at our Home Office at least 30 days before the Option Date.

The Enhancement Options will not be available if you were Chronically III or received any Benefit Payments in the two years before the Option Date

#### **Termination**

This Rider will terminate on the Coverage Enhancement Rider Termination Date shown on the current Policy Schedule. Any future coverage enhancements will be subject to underwriting approval

Signed for the Company at the Home Office, and effective on the Effective Date of the policy

[Suzanne J Pepin]
[Senior Vice President, Secretary
and Chief Legal Officer]

## **COVERAGE ENHANCEMENT RIDER**

## This Rider provides you the option, every five years, to enhance your coverage without underwriting

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

#### **Definitions**

Daily Benefit is the Facility Care Daily Benefit [and Home and Community Care Daily Benefit]

[Monthly Benefit is the [Home and Community Care Monthly Benefit] [and] [Monthly Indemnity Benefit] [Indemnity Benefit] ]

**Option Date** is the fifth Policy Anniversary, and each subsequent fifth Policy Anniversary

Remaining Lifetime Benefit on the current Policy Anniversary is the Maximum Lifetime Benefit on the previous Policy Anniversary less the total of all claims paid up to the current Policy Anniversary

#### **Enhancement Option**

On the Option Date, the following Enhancement Option is available without underwriting at an additional premium

Increase the Daily Benefit [and Monthly Benefit] to reflect the increase in the Seasonally Adjusted Consumer Price Index for Nursing Homes and Adult Day Care (Consumer Price Index) The increase in the Consumer Price Index for the first Option Date is for the five-year period shown on the Policy Schedule The same months will be used in determining the five-year period for subsequent Option Dates

The increase in the Daily Benefit [and Monthly Benefit], if any, is the amount that will make the cumulative increase in the Daily Benefit [and Monthly Benefit], for the five-year period ending on the Option Date, the lesser of the increase in the Consumer Price Index or [50%], but not less than [15%]

The Maximum Lifetime Benefit will increase by the same percentage of the Remaining Lifetime Benefit

If the publication of the Consumer Price Index is discontinued or if its calculation is changed substantially, we will substitute a comparable index

This Enhancement Option must be elected in writing on the form that we provide. The amount of the premium increase will be indicated on this form. This form will be sent to you at least 60 days before the Option Date and must be returned to us at our Home Office at least 30 days before the Option Date.

This Enhancement Option will not be available if you were Chronically III or received any Benefit Payments in the two years before the Option Date

#### Termination

This Rider will terminate on the Coverage Enhancement Rider Termination Date shown on the current Policy Schedule. Any future coverage enhancements will be subject to underwriting approval

Signed for the Company at the Home Office, and effective on the Effective Date of the policy

[Suzanne J Pepin] [Senior Vice President, Secretary and Chief Legal Officer] [Mark Zesbaugh] [President]

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## Component Header SERT-6L7NDC243/00-14/00-00/00

## **Component Header**

Component 14 - Rev 00

Created by Tammy Smasal on 01/19/2006

Assigned To Mary Ann Mason, Bob Grissom,

Company List Allianz Life Insurance Company

Sent 01/19/2006 03 57 53 PM

Other Authors None

TOI LTC03I Individual Long Term Care

SubTOI LTC03I 001 Qualified

Tracking Information:

State Tracking #

7/26102

(State)

Component Status

Disposition Date Implementation

Date

Deemer Date Effective Date

Requirement Status

Virginia

Approved

None None

None

None None SERFF Tracking #

Component Status (SERFF)

Delivery Date

Reviewer

Reviewer Phone Reviewer Fax Primary Reviewer SERT-6L7NDC243/00-14/00-00/00 Assigned to Reviewer

01/19/2006 04 16 38 PM Mary Ann Mason, Bob Grissom,

[Receiver]

None None None

**Component Information:** 

Component Type

Lead Form Number Form Title

11-P-Q-VA

Full Indemnity Benefit Rider

see cert

Readability Score

Replaces Form

Component Action

State Specific Code

Company Form Number

N/A

Initial

None

11-R10

Number

Requirement

Satisfied

**Bnef Description** 

Full Indemnity Benefit Rider

Filer's Notes Document(s) None None

N/A

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

**Company Information** 

Allianz Life Insurance Company of North America

Contact

Smasal, Tammy

File Attachments

Full Indemnity Benefit Rider (11-R10) pdf

#### **FULL INDEMNITY BENEFIT RIDER**

This Rider provides a monthly cash benefit in lieu of reimbursement of the Facility Care Daily Benefit and Home and Community Care Daily Benefit, subject to the conditions listed below

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

The Indemnity Benefit amount is shown on the Policy Schedule

Indemnity Benefit In any month that you are Chronically III and have satisfied the

Elimination Period, we will pay the Indemnity Benefit. When filing a claim for this benefit, you are not required to submit applicable statements and bills for covered care services, however, all other written proof as described in the Proof of Loss and Continued Proof of Loss provisions under the Claim Procedures section in the policy must be provided. The Indemnity Benefit is in lieu of reimbursement of the Facility Care Daily Benefit and Home and Community Care Daily Benefit for actual expenses.

incurred

All references in the Contract to benefits being payable up to the Facility Care Daily Benefit or Home and Community Care Daily Benefit do not

apply

All benefits paid under the Indemnity Benefit accumulate toward the

Maximum Lifetime Benefit

Important Tax Notice Benefits paid directly to the insured and not determined by the expenses

incurred may be subject to taxation by the Internal Revenue Service and may cause this Contract to lose its status as a federally tax-qualified long

term care insurance contract

Exclusions No benefits will be payable for the Respite Care Benefit, Bed Reservation

Benefit, Caregiver Training Benefit, Alternative Plan of Care Benefit, and Care Coordination Advisor Benefit if this Rider is attached to the policy

Signed for the Company at the Home Office, and effective on the Effective Date of the policy

[Suzanne J Pepin] [Senior Vice President, Secretary

and Chief Legal Officer]

## Component Header SERT-6L7NDC243/00-15/00-00/00

## **Component Header**

Component 15 - Rev 00

Created by Tammy Smasal on 01/19/2006

Assigned To Mary Ann Mason, Bob Grissom,

[Receiver]

Company List Allianz Life Insurance Company

Sent 01/19/2006 03 57 53 PM

Other Authors None

TOI LTC031 Individual Long Term Care

SubTOI LTC03I 001 Qualified

Tracking Information:

(State)

Date

State Tracking # Component Status

Disposition Date

Implementation

Deemer Date

7/26102 Approved

Virginia

None

None

None

Effective Date None None Requirement Status

SERFF Tracking #

Component Status

(SERFF)

Delivery Date Reviewer

01/19/2006 04 16 38 PM Mary Ann Mason, Bob Grissom,

[Receiver]

Initial

None

N/A

11-R11, et al

Assigned to Reviewer

SERT-6L7NDC243/00-15/00-00/00

Reviewer Phone None Reviewer Fax None Primary Reviewer None

Component Action

State Specific Code

Replaces Form

Number

Company Form Number

**Component Information:** 

Component Type

Lead Form Number

Form Title

Spousal Shared Care Rider, et al

11-P-Q-VA

Readability Score

see cert

N/A

None None

Satisfied Brief Description

Requirement

Filer's Notes

Document(s)

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

Spousal Shared Care Rider, et al

1

Company Information

Allianz Life Insurance Company of North

America

Contact

Smasal, Tammy

File Attachments.

Spousal Shared Care Rider (11-R11) pdf, Spousal Waiver Rider

(11-R12) pdf, Household Discount Rider (11-R13) pdf

#### SPOUSAL SHARED CARE RIDER

This Rider allows you to access the available benefits under your spouse's contract once your Maximum Lifetime

Benefit has been exhausted, subject to the conditions listed below.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

Definition Spousal Shared Care Benefit Amount is equal to the Maximum Lifetime Benefit, less the

total of all claims paid, [less 365 times the Facility Care Daily Benefit,] in effect at the time of

claim. This amount will be disclosed on the consent form

Spousal Shared Care Benefit If you exhaust the Maximum Lifetime Benefit, you may access the Insured Spouse's benefits, upon our receipt of their signed consent form, up to their spousal shared care

benefit amount

If the Insured Spouse exhausts his/her maximum lifetime benefit, the Insured Spouse may

access your benefits, upon our receipt of your signed consent form, up to the Spousal

Shared Care Benefit Amount

Death of Insured Spouse Upon receipt of proof of death of the Insured Spouse, we will increase the Maximum

Lifetime Benefit by the amount of the Insured Spouse's spousal shared care benefit amount, if any. We will provide you with written verification of the new Maximum Lifetime

Benefit Your premium will remain unchanged

Cancellation This Rider may be cancelled at any time by either Insured by providing written notice of

Cancellation to us

**Termination** This Rider will terminate and coverage under this Rider will end on the earliest of

(a) the date of Cancellation of this Rider,

(b) the date the Insured Spouse cancels their Spousal Shared Care Rider,

(c) the date of Termination of the Spousal Discount Rider, or

(d) the date of termination of the Insured Spouse's Spousal Discount Rider

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Restoration of Benefits The Restoration of Benefits option does not extend to this Rider If the Restoration of

Benefits option is included in the Contract, the Maximum Lifetime Benefit will only be restored to the extent that you have accessed benefits under the Contract subject to the provisions of the Restoration of Benefits option. Benefits accessed under the Contract by

the Insured Spouse will not be restored

Signed for the Company at the Home Office, and effective on the Effective Date of the policy

[Suzanne J Pepin] [Senior Vice President, Secretary

and Chief Legal Officer]

## SPOUSAL WAIVER OF PREMIUM RIDER

This Rider waives your premium as it comes due if your spouse's premiums are being waived, subject to the conditions listed below.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

**Spousal Waiver Benefit** 

If the Insured Spouse's premiums are being waived, this Rider will waive your premium as it comes due

We will continue to waive each premium that comes due according to the Mode of Payment in effect at the time you become eligible for this benefit, as long as the Insured Spouse's premiums are being waived. Once the Insured Spouse is no longer Chronically III or this Rider Terminates, you must pay each premium that comes due according to the Mode of Payment currently in effect.

Cancellation

This Rider may be cancelled at any time by either Insured by providing written notice of Cancellation to us

Termination

This Rider will terminate and coverage under this Rider will end on the earliest of

(a) the date of Cancellation of this Rider,

(b) the date the Insured Spouse cancels their Spousal Waiver of Premium Rider,

(c) the date of Termination of the Spousal Discount Rider, or

(d) the date of termination of the Insured Spouse's Spousal Discount Rider

Signed for the Company at the Home Office, and effective on the Effective Date of the policy

[Suzanne J Pepin]
[Senior Vice President, Secretary

and Chief Legal Officer]

#### HOUSEHOLD DISCOUNT RIDER

This Rider provides a premium discount because you are living with someone who has or is issued an Allianz Life Insurance Company of North America long term care insurance Contract, subject to the conditions listed below.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

Definition

Household Insured is someone with whom you are living who has or is issued an Allianz Life Insurance Company of North America long term care insurance Contract that is still In Force

Household Discount Benefit This Rider provides a premium discount because you are living with a Household

The Household Discount Rider will not terminate due to the death of the Household Insured while the Contract is In Force

Cancellation

This Rider must be cancelled if you are no longer living with the Household Insured, except due to the death of the Household Insured while the Contract is In Force, by providing written notice of Cancellation to us

**Termination** 

This Rider will terminate and coverage under this Rider will end on the earliest of

(a) the date of Cancellation of this Rider,

(b) the date the Household Insured cancels their Household Discount Rider,

(c) the date the Contract Terminates, or

(d) the date the Household Insured's contract terminates

Upon Termination of this Rider, the premium will be equal to the rate that you would have been charged for an individual Contract without this Rider at your original issue age and risk class and will not include any Household Discount Benefit

Signed for the Company at the Home Office, and effective on the Effective Date of the policy

[Suzanne J Pepin] [Senior Vice President, Secretary

and Chief Legal Officer]

## Component Header SERT-6L7NDC243/00-16/00-00/00

## **Component Header**

Component 16 - Rev 00

Created by Tammy Smasal on 01/19/2006

Assigned To Mary Ann Mason, Bob Grissom,

Company List Allianz Life Insurance Company

Sent 01/19/2006 03 57 53 PM

Other Authors None

TOI LTC03I Individual Long Term Care

SubTOI LTC03I 001 Qualified

**Tracking Information:** 

State

Virginia 7/26102

State Tracking # Component Status (State) Disposition Date

Implementation

Deemer Date

Requirement

Effective Date

Approved

None None

None None None SERFF Tracking # Component Status

Assigned to Reviewer (SERFF)

Delivery Date 01/19/2006 04 16 39 PM Reviewer Mary Ann Mason, Bob Grissom,

[Receiver]

SERT-6L7NDC243/00-16/00-00/00

Reviewer Phone None Reviewer Fax None Primary Reviewer None

Status

Date

**Component Information:** 

Component Type

Readability Score

Lead Form Number Form Title

11-P-Q-VA

Contingent Benefit Upon Lapse Rider

see cert

N/A

None

Form

Replaces Form

Component Action

State Specific Code

Company Form Number

N/A

Initial

None

11-R14

Number

Requirement

Satisfied

Brief Description

Contingent Benefit Upon Lapse Rider None

Filer's Notes Document(s)

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

**Company Information** 

Allianz Life Insurance Company of North

Contact

Smasal, Tammy

America

File Attachments:

Contingent Benefit Upon Lapse Rider (11-R14) pdf

### ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA

### CONTINGENT BENEFIT UPON LAPSE RIDER

This Rider provides benefits if a substantial premium increase occurs, subject to the conditions listed below.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

#### Definition

Substantial Premium Increase is an increase in the premium rates under the Contract, which results in a cumulative increase of the annual premium equal to or exceeding the percentage of your initial annual premium, plus the annual premium for any increases to coverage elected by you, as set forth in the Triggers for Substantial Premium Increase Table on the next page. We will notify you in writing at least 60 days before your premium changes.

### Contingent Benefit Upon Lapse

If the Contract has been in Force, and we increase the premium rates under the Contract, which results in a Substantial Premium Increase, then the following options are available under the Contract

- 1 The Facility Care Daily Benefit and/or the Benefit Period shown on the current Policy Schedule may be reduced as described in the "Right to Reduce Benefits" provision under the General Policy Provisions section in the policy, or
- 2 The Contract may be converted to a paid-up status with the Shortened Benefit Period described below. This option may be elected at any time within 120 days of a Substantial Premium Increase, as described above. In addition, if the Contract Lapses for nonpayment of premium during this 120-day period, this option will automatically be provided under the Contract.

# Shortened Benefit Period

Your coverage will continue and the Facility Care Daily Benefit will be payable based on the Facility Care Daily Benefit shown on the Policy Schedule, and any previous increases due to a benefit increase Rider, in effect on the date of conversion to a paid-up status or Lapse. No further benefit increases will occur under any benefit increase Rider, if attached to the policy.

The Maximum Lifetime Benefit becomes equal to the greater of (a) the total of premiums paid for the policy and all Riders, or (b) thirty times the Facility Care Daily Benefit in effect on the date of conversion to a paid-up status or Lapse. This adjusted benefit amount replaces the Maximum Lifetime Benefit in effect on the date of conversion to a paid-up status or Lapse. Any benefits paid to you after the Contract is converted to a paid-up status or Lapses will be subtracted from this new Maximum Lifetime Benefit.

Your coverage under this Rider is subject to the same policy benefit provisions, Elimination Period, Limitations and Exclusions, and all other provisions of the policy and attached Riders and Endorsements that were in effect prior to the date of conversion to a paid-up status or Lapse, except any benefit increase Rider, if attached to the policy

### Triggers for Substantial Premium Increases Table

| Issue Age | Percent Increase Over Initial Premium |
|-----------|---------------------------------------|
| 18-29     | 200%                                  |
| 30-34     | 190                                   |
| 35-39     | 170                                   |
| 40-44     | 150                                   |
| 45-49     | 130                                   |
| 50-54     | 110                                   |
| 55-59     | 90                                    |
| 60        | 70                                    |
| 61        | 66                                    |
| 62        | 62                                    |
| 63        | 58                                    |
| 64        | 54                                    |
| 65        | 50                                    |
| 66        | 48                                    |
| 67        | 46                                    |
| 68        | 44                                    |
| 69        | 42                                    |
| 70        | 40                                    |
| 71        | 38                                    |
| 72        | 36                                    |
| 73 '      | 34                                    |
| 74        | 32                                    |
| 75        | 30                                    |
| 76        | 28                                    |
| 77 .      | 26                                    |
| 78        | 24                                    |
| 79        | 22                                    |
| 80        | 20                                    |
| 81        | 19                                    |
| 82        | 18                                    |
| 83        | 17                                    |
| 84 1      | 16                                    |

Signed for the Company at the Home Office, and effective on the Effective Date of the policy

[Suzanne J Pepin] [Senior Vice President, Secretary and Chief Legal Officer]

[Mark Zesbaugh] [President]

### Component Header SERT-6L7NDC243/00-17/00-00/00

### **Component Header**

Component 17 - Rev 00

Created by Tammy Smasal on 01/19/2006

Assigned To Mary Ann Mason, Bob Grissom,

[Receiver]

Company List Allianz Life Insurance Company

Sent 01/19/2006 03 57 53 PM

Other Authors None

TOI LTC031 Individual Long Term Care

SubTOI LTC03I 001 Qualified

Tracking Information:

(State)

Date

Virginia 7/26102

State Tracking # Component Status

Disposition Date

Implementation

Approved

Component Status (SERFF)

SERT-6L7NDC243/00-17/00-00/00 Assigned to Reviewer

None None Delivery Date

SERFF Tracking #

01/19/2006 04 16 39 PM

Reviewer

Mary Ann Mason, Bob Grissom,

[Receiver]

Deemer Date Effective Date Requirement

None None None

Reviewer Phone Reviewer Fax Primary Reviewer None None None

Status

**Component Information:** 

Component Type Lead Form Number

11-P-Q-VA

Component Action State Specific Code Initial None

Form Title

International Coverage Benefit Ruder

Company Form Number

11-R15

Readability Score

see cert

Replaces Form Number

N/A

Requirement

Satisfied

N/A

**Brief Description** 

Filer's Notes

International Coverage Benefit Rider

None None Document(s)

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

Company Information

Contact

Allianz Life Insurance Company of North

Smasal, Tammy

America

File Attachments

International Coverage Benefit Rider (11-R15) pdf

### ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA

### INTERNATIONAL COVERAGE BENEFIT RIDER

This Rider provides benefits if you are outside the fifty states of the United States, the District of Columbia, or Canada, subject to the conditions listed below.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

#### **Definitions**

International Coverage Maximum Lifetime Benefit is the total amount we will pay in your lifetime for all benefits, other than the Waiver of Premium Benefit, provided under the International Coverage Benefit The International Coverage Maximum Lifetime Benefit is shown on the current Policy Schedule

International Coverage Remaining Lifetime Benefit on the current Policy Anniversary is the International Coverage Maximum Lifetime Benefit, if any, on the previous Policy Anniversary less the total of all applicable claims paid up to the current Policy Anniversary

# International Coverage Benefit

If you require Qualified Long Term Care Services, which would otherwise be covered under the Contract, while you are outside the fifty states of the United States, the District of Columbia, or Canada, we will pay the International Coverage Benefit if

- (a) You are in a designated country as defined in the Visa Waiver Program (VWP),
- (b) You are eligible for Benefit Payments,
- (c) You provide us with Proof of Loss and a properly completed Claim Form,
- (d) You provide us with a written certification, completed within the previous 12 months by a similarly accredited Physician or Registered Professional Nurse, verifying that you are Chronically III, and
- (e) You provide us with a written Plan of Care

For Qualified Long Term Care Services received outside the fifty states of the United States, the District of Columbia, or Canada, we will pay actual expenses up to 70% of the Facility Care Daily Benefit or 70% of the Home and Community Care [Daily] [Monthly] Benefit Payment of this benefit is subject to the Eligibility for the Payment of Benefits section in the policy

All benefits paid under the International Coverage Benefit accumulate toward the Maximum Lifetime Benefit and the International Coverage Maximum Lifetime Benefit No further benefits will be paid under the International Coverage Benefit once the Maximum Lifetime Benefit or the International Coverage Maximum Lifetime Benefit has been exhausted

All required documentation must be provided to us in English Any benefits paid will be paid in United States currency

Under this Rider, no benefits will be payable for the following optional benefits or Riders, if attached to the policy Monthly Indemnity Benefit, Restoration of Benefits, Waiver of Home and Community Care Elimination Period Rider, Full Indemnity Benefit Rider, Spousal Shared Care Rider, and Spousal Waiver of Premium Rider

1

11-R15

For a list of designated countries, as defined in the Visa Waiver Program, please write or call us at the address or telephone number shown on the first page of the policy—If the Visa Waiver Program is discontinued, the succeeding, or a similar, program will apply

### Compound Benefit Increase Riders

If there is a compound benefit increase Rider attached to the policy, on each Policy Anniversary, the International Coverage Maximum Lifetime Benefit will be increased as follows

The International Coverage Maximum Lifetime Benefit will be increased by the applicable percentage of the International Coverage Remaining Lifetime Benefit Any limits or increases specified by the compound benefit increase Rider also apply to increases to the International Coverage Maximum Lifetime Benefit Once the International Coverage Maximum Lifetime Benefit has been exhausted, no further increases for such benefit will occur

### Simple Benefit Increase Rider

If the Simple Benefit Increase Rider is attached to the policy, on each Policy Anniversary, the International Coverage Maximum Lifetime Benefit will be increased

The amount of the increase is equal to the International Coverage Remaining Lifetime Benefit multiplied by 5% of the Facility Care Daily Benefit shown on the current Policy Schedule, and divided by the Facility Care Daily Benefit before its concurrent increase. Once the International Coverage Maximum Lifetime Benefit has been exhausted, no further increases for such benefit will occur

Signed for the Company at the Home Office, and effective on the Effective Date of the policy

2

[Suzanne J Pepin]
[Senior Vice President, Secretary

and Chief Legal Officer]

[Mark Zesbaugh] [President]

11-R15

### Component Header SERT-6L7NDC243/00-18/00-00/00

### **Component Header**

Component 18 - Rev 00

Created by Tammy Smasal on 01/19/2006

Assigned To Mary Ann Mason, Bob Grissom,

Company List Allianz Life Insurance Company

Sent 01/19/2006 03 57 53 PM

Other Authors None

TOI LTC03I Individual Long Term Care

SubTOI LTC03I 001 Qualified

**Tracking Information:** 

State Tracking #

Virginia 7/26102

Component Status (State) Disposition Date

Approved

SERFF Tracking # Component Status

Assigned to Reviewer

(SERFF)

None None Delivery Date Reviewer

01/19/2006 04 16 39 PM

SERT-6L7NDC243/00-18/00-00/00

Mary Ann Mason, Bob Grissom,

[Receiver]

Date

Deemer Date Effective Date Requirement

Implementation

None None None

Reviewer Phone Reviewer Fax Primary Reviewer None None None

Status

**Component Information:** 

Component Type Lead Form Number

11-P-Q-VA

Facility Care Only

Component Action State Specific Code Company Form Number Initial None 11-E-1

Policy Endorsement

Readability Score see cert

N/A

Replaces Form Number:

Requirement

Satisfied

Form Title

**Brief Description** 

Facility Care Only Policy Endorsement

Filer's Notes Document(s)

None None

N/A

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

Company Information

Contact Smasal, Tammy

Allianz Life Insurance Company of North

File Attachments:

America

Facility Care Only Policy Endorsement (11-E-1) pdf

### ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA

### **FACILITY CARE ONLY POLICY ENDORSEMENT**

This Endorsement deletes any reference in the policy to "Home and Community Care," thus making it a Facility Care Only policy.

The Company has issued this Endorsement as a part of the policy to which it is attached. This Endorsement is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Endorsement.

| Cover Page | The provision | titled "This C |
|------------|---------------|----------------|
| COVEL FAUE | HIE DIOMBIUIT | uucu IIIIS C   |

The provision titled "This Contract Covers Qualified Long Term Care Services" is revised to read as follows "Qualified Long Term Care Services are defined as care provided to you in a Nursing Facility or an Assisted Living Facility under the Facility Care Benefit"

Guide to Policy Benefits and Provisions The reference to the "Home and Community Care Benefit" section is deleted. In addition, the following references to provisions under the "Home and Community Care Benefit" section are deleted. "Home Health Care Services," "Adult Day Services," and "Hospice Care Services."

Eligibility for the Payment of Benefits Section

The reference to the "Home and Community Care Daily Benefit" in the "Benefit Payments" provision is deleted

Home and Community Care Benefit Section This entire section is deleted

Additional Benefits Section Letter (b) with respect to "Home and Community Care" and the "Home and Community Care Daily Benefit" in the "Respite Care Benefit" provision is deleted

[The reference to the "Home and Community Care Benefit" in the "Monthly Indemnity Benefit" provision is deleted ]

General Policy Provisions Section The reference to the "Home and Community Care Daily Benefit" in the "Right to Reduce Benefits" provision is deleted

**Glossary Section** 

The reference to "Home and Community Care" in the "Elimination Period" definition

is deleted

Riders and Endorsements Any references to "Home and Community Care" in any Riders or Endorsements attached to the policy are deleted

Signed for the Company at the Home Office and effective on the Effective Date of the policy

[Suzanne J Pepin]
[Senior Vice President, Secretary
and Chief Legal Officer]

[Mark Zesbaugh] [President]

### Component Header SERT-6L7NDC243/00-19/00-00/00

### **Component Header**

Component 19 - Rev 00

Sent 01/19/2006 03 57 53 PM

Created by Tammy Smasal on 01/19/2006

Other Authors None

Assigned To Mary Ann Mason, Bob Grissom,

TOI LTC03I Individual Long Term Care

Company List Allianz Life Insurance Company

SubTOI LTC03I 001 Qualified

Tracking Information:

State

Virginia

State Tracking #

7/26102 Received SERFF Tracking # Component Status SERT-6L7NDC243/00-19/00-00/00

Component Status (State)

&Acknowledged

(SERFF)

Assigned to Reviewer

Disposition Date

None

Delivery Date

01/19/2006 04 16 40 PM

Implementation

None

Mary Ann Mason, Bob Grissom,

Date

Reviewer

Deemer Date Effective Date

[Receiver]

None None None Reviewer Phone Reviewer Fax Primary Reviewer

None None None

Requirement Status

Component Information:

Component Type

Supporting

N/A

Component Action

Initial

Lead Form Number

Documentation 11--P-Q-VA

State Specific Code

None

Requirement

Satisfied

Brief Description

Outlines of Coverage

Filer's Notes

None None

Document(s)

Company Contact: Lead Company

Allianz Life Insurance Company of North America

Company Information

Contact

Allianz Life Insurance Company of North

Smasal, Tammy

America

File Attachments

11-OC-Q-FULL-VA pdf, 11-OC-Q-SIMP-VA pdf, 11-OC-Q-SEL-FULL-VA pdf,

11-OC-Q-SEL-SIMP-VA pdf

### Component Header SERT-6L7NDC243/00-20/00-00/00

### Component Header

Component 20 - Rev 00

Created by Tammy Smasal on 01/19/2006

Assigned To Mary Ann Mason, Bob Grissom,

Company List Allianz Life Insurance Company

Sent 01/19/2006 03 57 53 PM

Other Authors None

TOI LTC03I Individual Long Term Care

SubTOI LTC03I 001 Qualified

**Tracking Information:** 

State

Virginia 7/26102 Received

Component Status (State)

State Tracking #

&Acknowledged Disposition Date None Implementation None

Date

Deemer Date None Effective Date None Requirement None

Status

SERFF Tracking # Component Status

(SERFF)

Delivery Date Reviewer

01/19/2006 04 16 40 PM

Mary Ann Mason, Bob Grissom,

Assigned to Reviewer

Initial

None

SERT-6L7NDC243/00-20/00-00/00

[Receiver]

Reviewer Phone None Reviewer Fax None Primary Reviewer None

Component Action

State Specific Code

**Component Information:** 

Component Type

Supporting Documentation

11-P-Q-VA

Lead Form Number Requirement N/A

Satisfied

Brief Description Statement of Variability

Filer's Notes None Document(s) None

**Company Contact:** 

Lead Company Allianz Life Insurance Company of North America

Company Information Allianz Life Insurance Company of North

America

File Attachments:

Contact Smasal, Tammy

Generic Statement of Variability pdf

1

# Statement of Variability Allianz Life Insurance Company of North America

# Policy (11-P-Q)

| Page # | Variable  | Rationale  |
|--------|---|--|
| 1      | Company Address and                                 | If the company were to move, the new address and telephone       |
| ]      | Telephone Number                                    | number would be inserted   |
| 1      | Signature, Name, and Title of                       | If the company officers were to change, the new company          |
|        | Company Officers                                    | officers' signatures and names would be inserted                 |
| 2      | Monthly Indemnity Benefit                           | If the Monthly Indemnity Benefit option is elected, such         |
|        | -   | provision title would appear                                     |
| 2      | Return of Premium Upon                              | If the Return of Premium Upon Death Benefit option is elected,   |
|        | Death Benefit                                       | such provision title would appear                                |
| 2      | Full Return of Premium Upon                         | If the Full Return of Premium Upon Death Benefit option is       |
|        | Death Benefit                                       | elected, such provision title would appear                       |
| 2      | Restoration of Benefits                             | If the Restoration of Benefits option is elected, such provision |
| !      |   | title would appear   |
| 4      | Home and Community Care                             | If the Home and Community Care Monthly Benefit option is         |
| [ i    | [Daily] [Monthly] Benefit                           | elected, then "Home and Community Care Monthly Benefit"          |
|        |   | will appear If the Home and Community Care Monthly               |
| ĺ      | ,   | Benefit option is NOT elected, then "Home and Community          |
|        |   | Care Daily Benefit" will appear                                  |
| 8      | Home and Community Care                             | If the Home and Community Care Monthly Benefit option is         |
|        | [Daily] [Monthly] Benefit                           | elected, then "Home and Community Care Monthly Benefit"          |
|        |   | will appear If the Home and Community Care Monthly               |
|        | ı   | Benefit option is NOT elected, then "Home and Community          |
|        |   | Care Daily Benefit" will appear                                  |
| 11     | Monthly Indemnity Benefit                           | If the Monthly Indemnity Benefit option is elected, then this    |
|        |   | provision will appear  |
| 12     | Return of Premium Upon                              | If the Return of Premium Upon Death Benefit option is elected,   |
|        | Death Benefit                                       | then this provision will appear                                  |
| 12     | Full Return of Premium Upon                         | If the Full Return of Premium Upon Death Benefit option is       |
|        | Death Benefit                                       | elected, then this provision will appear                         |
| 12     | Restoration of Benefits                             | If the Restoration of Benefits option is elected, then this      |
|        |   | provision will appear  |
| 13     | , except as described in the                        | At this time, this rider is included with all policies. In the   |
|        | International Coverage Benefit                      | future, if we decide to no longer offer this benefit, any newly  |
| 10     | Rider   | issued policies will not include such language                   |
| 19     | However, for Home and                               | If the 130% Home and Community Care Benefit option is            |
|        | Community Care Benefits,                            | elected, then this language will appear. If the 70% or 100%      |
|        | only an amount up to [30                            | Home and Community Care Benefit options are elected, then        |
|        | times] the Facility Care Daily                      | this language will NOT appear                                    |
|        | Benefit will accumulate toward the Maximum Lifetime | "30 times" is bracketed within this sentence to accommodate      |
|        | Benefit   | the Home and Community Care Monthly Benefit option If the        |
|        | Delicit   | Home and Community Care Monthly Benefit option is elected,       |
|        |   | then "30 times" will appear If the Home and Community Care       |
|        |   | Monthly Benefit option is NOT elected, then "30 times" will      |
|        |   | NOT appear   |
|        |   | 1 IV 1 appear  |

| Page # | Variable  | Rationale   |
|--------|---|---|
| 19     | Any benefits paid before a Restoration of Benefits will not accumulate toward the restored Maximum Lifetime Benefit | If the Restoration of Benefits option is elected, then this language will appear. If the Restoration of Benefits option is NOT elected, then this language will NOT appear.   |
| 19     | Monthly Indemnity Benefit   | If the Monthly Indemnity Benefit option is elected, then this language will appear If the Monthly Indemnity Benefit option is NOT elected, then this language will NOT appear   |
| 19     | Home and Community Care [Daily] [Monthly] Benefit   | If the Home and Community Care Monthly Benefit option is elected, then "Home and Community Care Monthly Benefit" will appear If the Home and Community Care Monthly Benefit option is NOT elected, then "Home and Community Care Daily Benefit" will appear |
| 20     | Elimination Period (service day definition)   | If the Calendar Day Elimination Period option is NOT elected, then this definition will appear FYI – The term "{service day definition}" will never appear It only appears in this filed form to distinguish it from the other bracketed EP definition      |
| 20     | Elimination Period {calendar day definition}  | If the Calendar Day Elimination Period option is elected, then this definition will appear FYI – The term "{calendar day definition}" will never appear It only appears in this filed form to distinguish it from the other bracketed EP definition         |
| 23     | Company Address and<br>Telephone Number   | If the company were to move, the new address and telephone number would be inserted   |

# Policy Schedule (11-PS-Q)

| Variable  | Rationale   |
|---|---|
| Facility Care Daily Benefit                       | Minimum - \$25  |
|   | Maximum - \$500   |
| Home and Community Care [Daily] [Monthly] Benefit | If the Home and Community Care Monthly Benefit option is elected, then "Home and Community Care Monthly   |
|   | Benefit" will appear If the Home and Community Care Monthly Benefit option is NOT elected, then "Home and |
|   | Community Care Daily Benefit" will appear   |
| Home and Community Care Daily                     | Facility Care Daily Benefit shown on the Policy Schedule  |
| Benefit Calculation                               | times Home and Community Care Benefit percentage  |
|   | elected on the application  |
| Home and Community Care Daily                     | Minimum - \$17 50   |
| Benefit   | Maximum - \$650   |
| Home and Community Care                           | Facility Care Daily Benefit shown on the Policy Schedule  |
| Monthly Benefit Calculation                       | times Home and Community Care Benefit percentage  |
|   | elected on the application times 30   |
| Home and Community Care                           | Minimum - \$525   |
| Monthly Benefit                                   | Maximum - \$19,500  |
| Maximum Caregiver Training                        | 5 times Facility Care Daily Benefit elected on the  |
| Benefit Calculation                               | application   |
| Maximum Caregiver Training                        | Minimum - \$250   |
| Benefit   | Maximum - \$2,500   |
| Maximum Lifetime Benefit                          | Facility Care Daily Benefit elected on the application  |
| Calculation                                       | times Benefit Period elected on the application times 365   |
| Maximum Lifetime Benefit                          | Mınımum - \$36,500  |
|   | Maximum - Lifetime  |
| Elimination Period                                | Mınımum – 7 days  |
|   | Maximum – 365 days  |
| Respite Facility Care Daily Benefit               | Minimum - \$50  |
|   | Maximum - \$500   |

| Variable                           | Rationale   |
|------------------------------------|---|
| Respite Home and Community         | Minimum - \$35  |
| Care Daily Benefit                 | Maximum - \$650   |
| Optional Benefits Elected          | Any optional benefits elected will appear here              |
| Optional Benefits                  | Any optional benefits that have a benefit amount            |
|                                    | associated with them will appear here, e.g. Monthly         |
|                                    | Indemnity Benefit   |
| Monthly Indemnity Benefit          | Facility Care Daily Benefit elected on the application      |
| Calculation                        | times Monthly Indemnity Benefit percentage elected on       |
|                                    | the application times 30                                    |
| Monthly Indemnity Benefit          | Mınımum - \$150   |
|                                    | Maximum - \$7,500   |
| Rider Benefits Elected             | Any rider benefits elected will appear here                 |
| Rider Benefits                     | Any rider benefits that have a benefit amount associated    |
|                                    | with them will appear here, e.g. Full Indemnity Benefit     |
|                                    | Rider, International Coverage Maximum Lifetime Benefit      |
| Full Indemnity Benefit Calculation | Facility Care Daily Benefit elected on the application      |
|                                    | times 30  |
| Full Indemnity Benefit             | Minimum - \$1,500   |
|                                    | Maximum - \$7,500   |
| International Coverage Maximum     | Facility Care Daily Benefit elected on the application      |
| Lifetime Benefit Calculation       | times 70% times 730   |
| International Coverage Maximum     | Mınımum - \$25,550  |
| Lifetime Benefit                   | Maximum - \$255,500   |
| Cost of Benefits                   | The cost of the base policy will always appear              |
|                                    | If riders and/or optional benefits are elected, then the    |
|                                    | cost of just those riders and optional benefits will appear |
|                                    | on its own line   |
|                                    | If riders and/or optional benefits are elected, then the    |
|                                    | total cost of the base policy plus the cost of the riders   |
|                                    | and optional benefits will appear on its own line           |
| Premium Summary                    | The mode of payment will appear on its own line, which      |
|                                    | will be one of the following annual, semi-annual,           |
|                                    | quarterly, monthly EFT, monthly bill, or monthly credit     |
|                                    | card  |
|                                    | The modal premium will appear on its own line               |
|                                    | What the premium would be at all of the different           |
| <u> </u>                           | modes of payment appear in this section                     |
| General Policy Information         | General policy information, which varies with each          |
|                                    | insured, except for "Duplicate Contract Fee," which at a    |
|                                    | minimum will be \$25 and at a maximum will be \$100         |

# 3% (11-R1), 4% (11-R2), 5%(11-R3) Compound Benefit Increase Riders and Simple Benefit Increase Rider (11-R5)

| Variable                         | Rationale  |
|----------------------------------|--|
| Home and Community Care [Daily]  | If the Home and Community Care Monthly Benefit option    |
| [Monthly] Benefit                | is elected, then "Home and Community Care Monthly        |
|                                  | Benefit" will appear If the Home and Community Care      |
|                                  | Monthly Benefit option is NOT elected, then "Home and    |
|                                  | Community Care Daily Benefit" will appear                |
| The Monthly Indemnity Benefit    | If the Monthly Indemnity Benefit option is elected, then |
| will be increased by [x]% of the | this language will appear If the Monthly Indemnity       |
| amount in effect on the previous | Benefit option is NOT elected, then this language will   |
| Policy Anniversary               | NOT appear   |

| Variable                           | Rationale   |
|------------------------------------|---|
| The Indemnity Benefit will be      | If the Full Indemnity Benefit Rider is elected, then this |
| increased by [x]% of the amount in | language will appear If the Full Indemnity Benefit Rider  |
| effect on the previous Policy      | is NOT elected, then this language will NOT appear        |
| Anniversary                        |   |

# Two Times Compound Benefit Increase Rider (11-R4)

| Variable                          | Rationale   |
|-----------------------------------|---|
| Monthly Benefit is the [Home and  | If the Home and Community Care Monthly Benefit              |
| Community Care Monthly Benefit]   | option is elected, then "Home and Community Care            |
| [and] [Monthly Indemnity Benefit] | Monthly Benefit" will appear                                |
| [Indemnity Benefit]               | If the Monthly Indemnity Benefit option is elected, then    |
|                                   | "Monthly Indemnity Benefit" will appear                     |
|                                   | If the Full Indemnity Benefit Rider is elected, then        |
|                                   | "Indemnity Benefit" will appear                             |
|                                   | If the Home and Community Care Monthly Benefit              |
|                                   | option and EITHER the Monthly Indemnity Benefit             |
|                                   | option OR Full Indemnity Benefit Rider are elected,         |
|                                   | then "and" will appear                                      |
|                                   | The Monthly Indemnity Benefit option and Full               |
|                                   | Indemnity Benefit Rider CANNOT be elected together          |
| The Monthly Benefit will increase | If the Home and Community Care Monthly Benefit              |
| by 5% of the amount in effect on  | option, Monthly Indemnity Benefit option, and/or Full       |
| the previous Policy Anniversary   | Indemnity Benefit Rider is elected, then this language will |
|                                   | appear  |
| and Monthly Benefit               | If the Home and Community Care Monthly Benefit              |
|                                   | option, Monthly Indemnity Benefit option, and/or Full       |
|                                   | Indemnity Benefit Rider is elected, then this language will |
|                                   | appear  |

# Coverage Enhancement Rider (11-R9)

| Variable   | Rationale  |
|--|--|
| Monthly Benefit is the [Home and Community Care Monthly Benefit] [and] [Monthly Indemnity Benefit] | If the Home and Community Care Monthly Benefit option is elected, then "Home and Community Care Monthly Benefit" will appear     If the Monthly Indemnity Benefit option is elected, then "Monthly Indemnity Benefit" will appear     If the Home and Community Care Monthly Benefit option and the Monthly Indemnity Benefit option are elected, then "and" will appear |
| and Monthly Benefit  | If the Home and Community Care Monthly Benefit option and/or Monthly Indemnity Benefit option is elected, then this language will appear   |
| 50%  | Mınımum – 25%<br>Maxımum – 50%   |
| 15%  | Minimum – 0%<br>Maximum – 25%  |

## Spousal Shared Care Rider (11-R11)

| Variable                         | Rationale   |
|----------------------------------|---|
| less 365 times the Facility Care | In the future, we may wish to limit the "Spousal Shared |
| Daily Benefit,                   | Care Benefit Amount" by subtracting one year from the   |
|                                  | remaining Maximum Lifetime Benefit Amount If this       |
|                                  | option is chosen, it would only apply to newly issued   |
|                                  | policies  |

## International Coverage Benefit Rider (11-R15)

| Variable                        | Rationale   |
|---------------------------------|---|
| Home and Community Care [Daily] | If the Home and Community Care Monthly Benefit option |
| [Monthly] Benefit               | is elected, then "Home and Community Care Monthly     |
|                                 | Benefit" will appear If the Home and Community Care   |
|                                 | Monthly Benefit option is NOT elected, then "Home and |
|                                 | Community Care Daily Benefit" will appear             |

## Coverage Enhancement Rider (11-R16)

| Variable   | Rationale   |
|--|---|
| Monthly Benefit is the [Home and Community Care Monthly Benefit] [and] [Monthly Indemnity Benefit] [Indemnity Benefit] | If the Home and Community Care Monthly Benefit option is elected, then "Home and Community Care Monthly Benefit" will appear     If the Monthly Indemnity Benefit option is elected, then "Monthly Indemnity Benefit" will appear     If the Full Indemnity Benefit Rider is elected, then "Indemnity Benefit" will appear     If the Home and Community Care Monthly Benefit option and EITHER the Monthly Indemnity Benefit option OR Full Indemnity Benefit Rider are elected, then "and" will appear     The Monthly Indemnity Benefit option and Full Indemnity Benefit Rider CANNOT be elected together |
| and Monthly Benefit  | If the Home and Community Care Monthly Benefit option and/or Monthly Indemnity Benefit option is elected, then this language will appear  |
| 50%  | Mınımum – 25%<br>Maxımum – 50%  |
| 15%  | Minimum – 0%<br>Maximum – 25%   |

## Facility Care Only Policy Endorsement (11-E-1)

| Variable                       | Rationale  |
|--------------------------------|--|
| The reference to the "Home and | If the Monthly Indemnity Benefit option is elected, then |
| Community Care Benefit" in the | this language will appear If the Monthly Indemnity       |
| "Monthly Indemnity Benefit"    | Benefit option is NOT elected, then this language will   |
| provision is deleted           | NOT appear   |

# Outlines of Coverage (11-OC-Q-FULL & 11-OC-Q-SIMP)

| Page # | Variable                       | Rationale   |
|--------|--------------------------------|---|
| 1      | Company Address and            | If the company were to move, the new address and telephone        |
|        | Telephone Number               | number would be inserted  |
| 6      | , except as described in the   | At this time, this rider is included with all policies. In the    |
|        | International Coverage Benefit | future, if we decide to no longer offer this benefit, any newly   |
|        | Rider                          | issued policies will not include such rider, and the outline will |
|        |                                | not include this language   |
| 7      | Elimination Period             | In the future, we may decide to add additional elimination        |
|        |                                | periods or delete existing elimination periods. Any revisions     |
|        |                                | would only apply to newly issued policies                         |
| 7      | Maximum Facility Care Daily    | In the future, we may decide to increase or decrease the facility |
|        | Benefit                        | care daily benefit amount range Any revisions would only          |
|        |                                | apply to newly issued policies                                    |
| 7      | Benefit Period                 | In the future, we may decide to add additional benefit periods or |
|        |                                | delete existing benefit periods Any revisions would only apply    |
|        |                                | to newly issued policies  |
| 7      | Premium Payment Mode           | In the future, we may decide to add additional premium            |
|        |                                | payment modes or delete existing premium payment modes            |
|        |                                | Any revisions would only apply to newly issued policies           |
| 9      | International Coverage Benefit | At this time, this rider is included with all policies. In the    |
|        | Rider                          | future, if we decide to no longer offer this benefit, any newly   |
|        |                                | issued policies will not include such rider, and the outline will |
|        | ·                              | not include this provision  |

# Outlines of Coverage (11-OC-Q-SEL-FULL & 11-OC-Q-SEL-SIMP)

| Page # | Variable  | Rationale  |
|--------|---|--|
| 1      | Company Address and<br>Telephone Number                                 | If the company were to move, the new address and telephone number would be inserted  |
| 6      | , except as described in the<br>International Coverage Benefit<br>Rider | At this time, this rider is included with all policies. In the future, if we decide to no longer offer this benefit, any newly issued policies will not include such rider, and the outline will not include this language.  |
| 7      | Maximum Facility Care Daily<br>Benefit                                  | In the future, we may decide to increase or decrease the facility care daily benefit amount range. Any revisions would only apply to newly issued policies.  |
| 7      | Benefit Period  | In the future, we may decide to add additional benefit periods or delete existing benefit periods. Any revisions would only apply to newly issued policies.  |
| 7      | Premium Payment Mode  | In the future, we may decide to add additional premium payment modes or delete existing premium payment modes Any revisions would only apply to newly issued policies  |
| 9      | International Coverage Benefit<br>Rider                                 | At this time, this rider is included with all policies. In the future, if we decide to no longer offer this benefit, any newly issued policies will not include such rider, and the outline will not include this provision. |

### Component Header SERT-6L7NDC243/00-21/00-00/00

### **Component Header**

Component 21 - Rev 00

Created by Tammy Smasal on 01/19/2006

Assigned To Mary Ann Mason, Bob Grissom,

[Receiver]

Company List Allianz Life Insurance Company

Sent 01/19/2006 03 57 53 PM

Other Authors None

SERFF Tracking #

Component Status

TOI LTC031 Individual Long Term Care

SubTOI LTC03I 001 Qualified

**Tracking Information:** 

State

(State) Disposition Date

Date

Status

Virginia 7/26102

State Tracking # Component Status

Implementation

Deemer Date

Requirement

Effective Date

Disapproved

None

None

(SERFF) Delivery Date Reviewer

None Reviewer Phone Reviewer Fax None None Primary Reviewer Assigned to Reviewer

01/19/2006 04 16 40 PM Mary Ann Mason, Bob Grissom,

SERT-6L7NDC243/00-21/00-00/00

[Receiver]

None None None

**Component Information:** 

Component Type

Supporting

Documentation 11-P-Q-VA - Component Action State Specific Code Initial

None

Lead Form Number

Requirement

N/A

Satisfied

Brief Description

Filer's Notes Document(s) Personal Worksheet &Potential Rate Increase Disclosure

None None

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

Company Information

File Attachments:

Allianz Life Insurance Company of North

America

Smasal, Tammy

Generic Personal Worksheet (WS1) pdf, Generic Potential Rate Increase

Contact

Disclosure (PRD) pdf

Allianz Life Insurance Company of North America [PO Box 1292 Minneapolis, MN 55440-1292]



### Long Term Care Insurance Potential Rate Increase Disclosure Form

| 1. | Premium Rate   | The premium       | rate that is | applicable | to you | and that | will be i | n effect | until a | request r | S |
|----|----------------|-------------------|--------------|------------|--------|----------|-----------|----------|---------|-----------|---|
|    | made and appro | eved for an incre | ease is \$[_ |            |        |          |           |          |         |           |   |

- 2. The premium for this policy will be shown on the schedule page of your policy.
- Rate Schedule Adjustments: Premium rate adjustments will be effective on the next policy anniversary date
- 4. Potential Rate Revisions:

This policy is Guaranteed Renewable. This means that the rates for this product may be increased in the future. Your rates can NOT be increased due to your increasing age or declining health, but your rates may increase based, by class for everyone in your state, on the experience of this policy form. We will notify you in writing at least 60 days before your premium changes.

If you receive a premium rate or premium rate schedule increase in the future, you will be notified of the new premium amount and you will be able to exercise at least one of the following options:

- Pay the increased premium and continue your policy in force as is
- Reduce your policy benefits to a level such that your premiums will not increase (Subject to state law minimum standards)
- Exercise your nonforfeiture option if purchased (This option is available for purchase for an additional premium)
- Exercise your contingent nonforfeiture rights \* (This option may be available if you do not purchase a separate nonforfeiture option)

### \*Contingent Nonforfeiture

If the premium rate for your policy goes up in the future and you didn't buy a nonforfeiture option, you may be eligible for contingent nonforfeiture. Here's how to tell if you are eligible

You will keep some long-term care insurance coverage, if

- Your premium after the increase exceeds your original premium by the percentage shown (or more)
  in the following table, and
- · You lapse (not pay more premiums) within 120 days of the increase

The amount of coverage (i.e., new lifetime maximum benefit amount) you will keep will equal the total amount of premiums you've paid since your policy was first issued. If you have already received benefits under the policy, so that the remaining maximum benefit amount is less than the total amount of premiums you've paid, the amount of coverage will be that remaining amount.

Except for this reduced lifetime maximum benefit amount, all other policy benefits will remain at the levels attained at the time of the lapse and will not increase thereafter

Should you choose this Contingent Nonforfeiture option, your policy, with this reduced maximum benefit amount, will be considered "paid-up" with no further premiums due

PRD

### Example:

- You bought the policy at age 65 and paid the \$1,000 annual premium for 10 years, so you have paid
  a total of \$10,000 in premium
- In the eleventh year, you receive a rate increase of 50%, or \$500 for a new annual premium of \$1,500, and you decide to lapse the policy (not pay any more premiums)
- Your "paid-up" policy benefits are \$10,000 (provided you have at least \$10,000 of benefits remaining under your policy)

# Contingent Nonforfeiture Cumulative Premium Increase Over Initial Premium that qualifies for Contingent Nonforfeiture

(Percentage increase is cumulative from the date of original issue. It does NOT represent a one-time increase.)

| Issue Age    | Percent Increase Over Initial Premium |
|--------------|---------------------------------------|
| 29 and under | 200%                                  |
| 30-34        | 190%                                  |
| 35-39        | 170%                                  |
| 40-44        | 150%                                  |
| 45-49        | 130%                                  |
| 50-54        | 110%                                  |
| 55-59        | 90%                                   |
| 60           | 70%                                   |
| 61           | 66%                                   |
| 62           | 62%                                   |
| 63           | 58%                                   |
| 64           | 54%                                   |
| 65           | 50%                                   |
| 66           | 48%                                   |
| 67           | 46%                                   |
| 68           | 44%                                   |
| 69           | 42%                                   |
| 70           | 40%                                   |
| 71           | 38%                                   |
| 72           | 36%                                   |
| 73           | 34%                                   |
| 74           | 32%                                   |
| 75           | 30%                                   |
| 76           | 28%                                   |
| 77           | 26%                                   |
| 78           | 24%                                   |
| 79           | 22%                                   |
| 80           | 20%                                   |
| 81           | 19%                                   |
| 82           | 18%                                   |
| 83           | 17%                                   |
| 84           | 16%                                   |

### Component Header SERT-6L7NDC243/00-22/00-00/00

### Component Header

Component 22 - Rev 00

Sent 01/19/2006 03 57 00 PM

Created by Tammy Smasal on 03/15/2006

Other Authors None

Assigned To Mary Ann Mason, Bob Grissom,

TOI LTC03I Individual Long Term Care

[Receiver]

Company List Allianz Life Insurance Company

SubTOI LTC03I 001 Qualified

**Tracking Information:** 

State

Virginia

State Tracking # Component Status

&Acknowledged

(State) Disposition Date

None None

Implementation

Date Deemer Date

Effective Date Requirement

7/26102 Received

None

None None SERFF Tracking #

Component Status (SERFF)

Delivery Date Reviewer

Reviewer Fax

Primary Reviewer

Component Action

State Specific Code

Mary Ann Mason, Bob Grissom, [Receiver] Reviewer Phone

None None None

Viewed by State

Initial

None

03/15/2006 12 58 58 PM

SERT-6L7NDC243/00-22/00-00/00

Status

**Component Information:** 

Component Type

Supporting

Documentation

11-P-Q-VA

Lead Form Number Requirement None

Sansfied

Brief Description

Response to 02/13/2006 Problem Report

Filer's Notes

Please see the attached letter and revised uniform transmittal

document. The uniform transmittal document was revised to indicate

the updated form numbers of the applications

Document(s) None

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

Company Information

Allianz Life Insurance Company of North

Contact Smasal, Tammy

Атепса

File Attachments:

VA GenPro II Response Letter pdf, VA transmittal (uniform) pdf, VA

uniform transmittal extra pages 2 pdf

### Allianz Life Insurance Company of North America 5701 Golden Hills Drive Minneapolis, MN 55416-1297



March 15, 2006

Mary Ann Mason, Senior Insurance Market Examiner State Corporation Commission, Bureau of Insurance Forms and Rates Section, Life and Health Division PO Box 1157 Richmond, VA 23218

RE. Our Submission Dated January 19, 2006 SERT-6L7NDC243/00 Submission No. 007 0000026102

Form No: 11-P-Q-VA, et al

Dear Ms Mason

In response to your correspondence dated February 13, 2006, the following restates and addresses your concerns in the order they were presented

### Please include the definition of "adult day care" that is expressed in 14 VAC 5-200-50.

Please refer to the "Adult Day Services" definition under the Home and Community Care Benefit section in the policy This definition includes all of the elements expressed in 14 VAC 5-200-50

# All provisions that require the individual to submit proof of licensure, certification, or accreditation of a facility must be removed. The individual is only responsible for submitting written proof of loss under Section 38.2-3503 7.

The policy has been revised to move the information previously included under the "Proof of Loss for Facility Care Benefits" and "Proof of Loss for Home and Community Care Benefits" provisions to the "Eligible Facility Care Expenses" and "Eligible Home and Community Care Expenses" provisions. This language has also been revised to clarify that the Nursing Facility/Assisted Living Facility and Home and Community Care provider must provide the necessary items. Please replace the policy under CH03 with this attached policy.

# The claim form provision (as well as the first paragraph in the proof of loss provision) is more restrictive than Section 38.2-3503 6 by requesting items other than a written statement as to the nature and extent of the loss

In providing a list of items that the letter should include, we are clarifying what "nature and extent of the loss" means. We do not feel that the average person would know what type of information they should include if we simply say "nature and extent of the loss," so, in being specific, it makes it easier for the insured, as well as the company. Providing this list will also reduce the amount of time in which a claim is processed, as, hopefully, we'll receive the necessary information up front rather than requesting it after we receive the insured's letter.

In the proof of loss and continued proof of loss provisions, the ending statement should be based on "...no later than one year from the time specified," as in Section 38.2-3503 7. Also, proof of loss should be limited to "written proof of loss" and not personal interviews, assessments, and any other proof you deem necessary.

In accordance with Section 38 2-3503 7, the "Proof of Loss" and "Continued Proof of Loss" provisions under the Claim Procedures section in the policy have been revised to state that "the required Proof of Loss/Continued Proof of Loss must be given to us no later than one year from the time specified." Please replace the policy under CH03 with this attached policy

With respect to proof of loss being limited to "written proof of loss" and not personal interviews, assessments, and other proof we deem necessary, the "Proof of Loss" and "Continued Proof of Loss" provisions under the Claim Procedures section in the policy have been revised to delete "or an assessment of you" in item (a) and item (d) which read as follows "any other proof we deem necessary" Please replace the policy under CH03 with this attached policy

We have not deleted the language with respect to "personal interviews," as such interviews often provide valuable information in order to help us understand the claimant's limitations and the type of assistance they may need. This information helps us to make an equitable determination regarding eligibility. Please reconsider your direction to delete such "personal interview" language.

### Please include in the claim appeal procedure provision the location at which to send appeals or grievances.

The "Claim Appeal Procedure" provision under the Claim Procedures section in the policy has been revised to indicate that the written request for appeal should be sent to us at the address shown on the first page of the policy Please replace the policy under CH03 with this attached policy

# The return of unearned premium upon cancellation or termination provision is not presented for compliance with Section 38.2-5202 1.

The "Return of Unearned Premium Upon Cancellation or Termination" and "Return of Unearned Premium Upon Death" provisions under the General Policy Provisions section in the policy have been revised to add the following sentence "The earned premium will be computed on a pro rata basis" Please replace the policy under CH03 with this attached policy

#### Common law marriage and civil unions are not defined in Virginia and the references should be removed.

The "Immediate Family Member" definition under the Glossary section in the policy was revised to delete the reference to common law marriage and civil union. Please replace the policy under CH03 with this attached policy.

# The application does not include the certification by the agent and applicant that is required and expressed in Section 38.2-3402.

In accordance with Section 38 2-3402, the applications have been revised to add the following after the "Caution" provision under Section 11 Your agreement and acknowledgement "The undersigned proposed insured(s) and agent certify that the proposed insured(s) has read, or that the agent has read to the proposed insured(s), the completed application and realizes that any false statement or misrepresentation in this application may result in loss of coverage under the policy "Please replace the applications under CH04 with these attached applications

# In the application, the questions directed to the applicant must be separate and complete. Please present the questions in accordance with 14 VAC 5-200-110 A 1 and 2.

The "Agent must list" paragraph that previously appeared under Section 3. Other insurance information in the applications has been moved to the "Agent's statement." Please replace the applications under CH04 with these attached applications.

# The question in the application with respect to a previous declination by another company must be accompanied by a request for the reasons for the previous adverse underwriting decision, as required in Section 38.2-611.

In accordance with Section 38 2-611, the applications have been revised to add the following to the "previous declination" question (#4) under Section 3 Other insurance information "If 'Yes,' what was the reason for the declination?" Please replace the applications under CH04 with these attached applications

### The certification of compliance is not prepared for conformity with 14 VAC 5-100-40 3

The "View Req" button for the Certification of Compliance component header specifically states that "if a company uses the Uniform Transmittal Document, the following submission requirements may be bypassed L&H Certification of Compliance"

# The long term care insurance personal worksheet is reviewed for approval, but the potential rate increase disclosure is not required to be filed or approved. Please show the worksheet in a separate component.

The personal worksheet has been attached under its own component header

To the best of our knowledge and belief, the above forms conform to all State Insurance Statutes, Regulations and Department requirements

Please do not hesitate to call me with any questions you may have at 800-328-5601, extension 32804 Thank you for your consideration

Sincerely,

**Tammy Smasal** 

Sr Compliance Analyst
Product/Forms Filing Compliance
E-mail tammy\_smasal@allianzlife.com
Fax 763/582-6495

### Component Header SERT-6L7NDC243/00-23/00-00/00

### **Component Header**

Component 23 - Rev 00

Created by Tammy Smasal on 03/15/2006

Assigned To Mary Ann Mason, Bob Grissom,

Company List Allianz Life Insurance Company

Sent 01/19/2006 03 57 00 PM

Other Authors None

TOI LTC03I Individual Long Term Care

SubTOI LTC031 001 Qualified

Tracking Information:

Virginia 7/26102

State Tracking # Component Status

Disposition Date

Implementation

Disapproved

Component Status

SERFF Tracking #

SERT-6L7NDC243/00-23/00-00/00 Pending Industry Response

(SERFF)

None None Delivery Date

03/15/2006 12 58 59 PM

Reviewer

Mary Ann Mason, Bob Grissom,

[Receiver]

Date

(State)

Deemer Date Effective Date Requirement

None None None

Reviewer Phone Reviewer Fax Primary Reviewer

None None None

Status

Component Information:

Component Type Lead Form Number

11-P-Q-VA

Component Action State Specific Code Initial None

Form Title

Tax-Qualified LTC1

Company Form Number

11-P-Q-VA

Policy

None

Readability Score

None

Replaces Form

ch03

Number

Requirement

Satisfied

Brief Description

Tax-Qualified LTC: Policy

Filer's Notes

Replaces CH03 Policy Schedule has not changed

Document(s) None

Company Contact:

Lead Company

Allianz Life Insurance Company of North America

Company Information

Contact

Allianz Life Insurance Company of North '

Smasal, Tammy

America

File Attachments

11-P-Q-VA(2) pdf, 11-PS-Q pdf

1

### Problem Report SERT-6L7NDC243/00-23/00-01/00

# **Problem Report**

Report Type Problem Report

Filing Originally Sent 01/19/2006 03 57 53

Created by Mary Ann Mason on 05/09/2006

Sent 05/09/2006 03 00 01 PM

State

Virginia SERT-6L7NDC243/00-23/00-01/00 Response To

ComponentHeader

SERFF Tracking

Response To SERFF Tracking SERT-6L7NDC243/00-23/00-00/00

No

Lead Company

Allianz Life Insurance

Company

Νo

Product Name

Company of North America Generation Protector II

Company of North America Generation Protector II

Allianz Life Insurance

(11-P-Q)

Project Name

Filing Date

01/19/2006 03 57 53 PM

Project No

11-P-Q

State Tracking No

7/26102

Company Tracking

TOI

LTC03I Individual Long

No

Sub TOI

LTC03I 001 Qualified

Report Status Reviewer Phone No Term Care Incomplete Filing

None

SERFF Status Status Effective None 05/09/2006

None

Date

Report Information: Problem Report

No problem descriptions

Applies to

None

Components

Comments Please see attachment for status

Thanks and please contact me at 804 371-9348 if you respond other than

as requested in my letter

File Attachments: 7 26102 2ND doc

ALFRED W GROSS COMMISSIONER OF INSURANCE



P O BOX 1157 RICHMOND, VIRGINIA 23218 TELEPHONE. (804) 371-9741 TDD/VOICE (804) 371-9206 http://www.state.va.us/scc

# STATE CORPORATION COMMISSION BUREAU OF INSURANCE

May 9, 2006

VIA SERFF
ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA
1750 HENNEPIN AVENUE
MINNEAPOLIS, MN 55403
Attn TAMMY SMASAL
COMPLIANCE ANALYST

RE SERT-6L7NDC243/00-00/00-00/00

Submission No 007 0000026102

Dear Ms Smasal

Please add "care" to the caption for adult day services if this provision is intended to conform to the definition of adult day care as expressed in 14 VAC 5-200-50

The claim form must not be more restrictive than "a written statement as to the nature and extent of the loss" The additional requirements and lead-in items must be removed. This is a uniform policy provision that the Commonwealth of Virginia recognizes as its claim forms provision. The provision in the statute (as expressed) by Section 38 2-3503 6 of the Code of Virginia prevails. A written statement is not required to be accompanied by bills or any other documentation.

Section 38 2-3503 7 sets forth a proof of loss provision that is based solely on "written proof of loss" and this uniform policy provision should be the same in the policy — The statute prevails

The application still must display the questions in 14 VAC 5-200-110 A 1 and 2 separately to the extent (1) Do you have another long term care insurance policy or certificate in force (including a health services plan contract, or a health maintenance organization contract)? (2) Did you have another long-term care insurance policy or certificate in force during the last 12 months?

For clarity, please revise the certification required by Section 38 2-3402 to " and the applicant realizes that any false statement"

You are correct regarding the compliance certification but a signature an officer of the company, attorney or actuary representing the company is still required (this is not bypassed)

For your information, the rates are ready for approval

Should you need clarification of any of the information contained in this letter, please contact the undersigned. You are encouraged to contact me by telephone if you have questions and before submitting forms that do not comply with Virginia statutes and regulations

Thank you for your courtesy and consideration in this matter

Yours Truly,

Mary Ann Mason, FLMI, AIE Senior Insurance Market Examiner Forms and Rates Section Life and Health Division Telephone No (804) 371-9348

### Component Header SERT-6L7NDC243/00-23/01-00/00

### **Component Header**

Component 23 - Rev 01

Created by Tammy Smasal on 05/31/2006

Assigned To Mary Ann Mason, Bob Grissom,

Company List Allianz Life Insurance Company

Sent 01/19/2006 03 57 00 PM

Other Authors None

TOI LTC03I Individual Long Term Care

SubTOI LTC03I 001 Qualified

Tracking Information:

State Tracking #

Component Status

(State)

Disposition Date Implementation

Date Deemer Date

Effective Date Requirement Status

7/26102 Approved

Virginia

None None

None None None

SERFF Tracking #

Component Status (SERFF)

Delivery Date

Reviewer

Reviewer Phone Reviewer Fax Primary Reviewer SERT-6L7NDC243/00-23/01-00/00 Viewed by State

05/31/2006 10 10 14 AM

Mary Ann Mason, Bob Grissom, [Receiver]

None None None

**Component Information:** 

Component Type Lead Form Number

11--P--Q--VA

Form Title

Tax Qualified LTC1

Tax Qualified LTC1 Policy

Policy

None

Readability Score

see certificate

Replaces Form

Number

Component Action

State Specific Code

Company Form Number

ch23/00

None

Resubmitted

11-P-Q-VA

Requirement

Satisfied

Brief Description

Filer's Notes None Document(s) None

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

Company Information

File Attachments:

Allianz Life Insurance Company of North

America

Contact Smasal, Tammy

11-P-Q-VA3 pdf, 11-PS-Q pdf

1

Allianz Life Insurance Company of North America [5701 Golden Hills Drive Minneapolis, MN 55416-1297 800/950-1962]



### TAX-QUALIFIED LONG TERM CARE INSURANCE POLICY

This Contract is intended to qualify for favorable federal tax treatment. As such, it must meet certain federal standards, in addition to all applicable standards in the state in which this Contract was issued or issued for delivery. If you have any questions regarding the tax qualifications of this Contract, you should direct such questions to the appropriate federal agency, or you should contact your tax advisor.

We have issued this Contract in consideration of the statements made in your signed application and your payment of the initial premium. We will pay the benefits described in this Contract, subject to all of its provisions

Read This Contract Carefully

It is a legal contract between you and the Company

Thirty Day Review Period

You may return this Contract within 30 days after receiving it, or within 30 days of its Effective Date, whichever is later, if you are dissatisfied for any reason. You may return it to the agent from whom it was purchased or to the Company. We will void this Contract and mail a refund of the premium you paid within 10 days of receipt.

**Effective Date** 

This Contract begins at 12 01 AM on the Effective Date shown on the current Policy Schedule. This Contract ends at 12 01 AM according to the terms of this Contract.

Check Your Application Caution – This Contract may not apply when you have a claim! Please read! The issuance of this long term care insurance Contract is based upon your responses to the questions on your application. A copy of your application is attached. If your responses are incorrect or untrue, we have the right to deny benefits or rescind this Contract, subject to the Incontestability provision under the General Policy Provisions section. The best time to clear up any questions is now, before a claim arises! If, for any reason, any of your responses are incorrect, write or call us at the address or telephone number at the top of this page.

This Contract Covers Qualified Long Term Care Services Qualified Long Term Care Services are defined as care provided to you in a Nursing Facility or an Assisted Living Facility under the Facility Care Benefit, and services provided to you through Home Health Care Services, Adult Day Care Services, or Hospice Care Services under the Home and Community Care Benefit

This Contract is Not a Medicare Supplement Contract If you are eligible for Medicare, you may request the Guide to Health Insurance for People with Medicare available from us

RenewalCo nditions

THIS QUALIFIED LONG TERM CARE INSURANCE CONTRACT IS GUARANTEED RENEWABLE. To renew this Contract, you must pay the premium due by the premium due date or within the Grace Period. We cannot refuse to renew this Contract if the premium is paid on time Premium rates are guaranteed not to change for the first five Policy Years. After the fifth Policy Year, the Company may change the premium rates for this Contract, subject to the approval of the state insurance department, only if we base the premium change, by Class for everyone in your state, on the experience of this form. Any premium change will occur on the Policy Anniversary. We will notify you in writing at least 60 days before your premium changes.

**Notice to Buyer** 

This Contract may not cover all of the costs associated with long term care incurred by you during the period of coverage. You are advised to carefully review all limitations

Signed for the Company at Its Home Office on the Date of Issue Segarne Oferen

[Suzanne J Pepin]
[Senior Vice President, Secretary
and Chief Legal Officer]

[Mark Zesbaugh] [President]

### **GUIDE TO POLICY BENEFITS AND PROVISIONS**

A summary of your benefits follows Please refer to the current Policy Schedule for a list of the Riders and optional benefits which provide you with additional benefits. Section titles, provision titles, and terms used on the Policy Schedule, and terms defined in the Glossary, are capitalized throughout this Contract to help you easily recognize them

| Thirty Day Review Period                              | 1  |
|---|----|
| Renewal Conditions                                    | 1  |
| Policy Schedule                                       | 3  |
| Eligibility for the Payment of Benefits               | 4  |
| Eligibility for Benefits                              | 4  |
| Limitations or Conditions on Eligibility for Benefits | 4  |
| Benefit Payments                                      | 4  |
| Benefits End  | 4  |
| Facility Care Benefit                                 | 6  |
| Home and Community Care Benefit                       | 8  |
| Home Health Care Services                             | 8  |
| Adult Day Care Services                               | 9  |
| Hospice Care Services                                 | 9  |
| Additional Benefits                                   | 10 |
| Waiver of Premium Benefit                             | 10 |
| Respite Care Benefit                                  | 10 |
| Bed Reservation Benefit                               | 10 |
| Caregiver Training Benefit                            | 11 |
| Alternative Plan of Care Benefit                      | 11 |
| Care Coordination Advisor Benefit                     | 11 |
| [Monthly Indemnity Benefit]                           | 11 |
| [Return of Premium Upon Death Benefit]                | 12 |
| [Full Return of Premium Upon Death Benefit]           | 12 |
| [Restoration of Benefits]                             | 12 |
| Limitations and Exclusions                            | 13 |
| Claim Procedures                                      | 14 |
| Notice of Claim                                       | 14 |
| Claim Form  | 14 |
| Proof of Loss   | 14 |
| Continued Proof of Loss                               | 14 |
| Denial of Claims                                      | 15 |
| Claim Appeal Procedure                                | 15 |
| General Policy Provisions                             | 16 |
| Incontestability                                      | 16 |
| Misstatement of Age                                   | 16 |
| Grace Penod   | 16 |
| Unintended Lapse Protection                           | 16 |
| Termination   | 17 |
| Cancellation  | 17 |
| Reinstatement   | 17 |
| Reinstatement due to Chronic Illness                  | 17 |
| Maximum Lifetime Benefit                              | 18 |
| Right to Reduce Benefits                              | 18 |
| Glossary  | 19 |

### ELIGIBILITY FOR THE PAYMENT OF BENEFITS

This section explains how you become eligible to receive Benefit Payments

### Eligibility for Benefits

To be eligible for the benefits shown on the current Policy Schedule and in this Contract, you must be Chronically III The Chronic Illness must have begun after the Effective Date

### Limitations or Conditions on Eligibility for Benefits

To receive Benefit Payments, you must meet the Eligibility for Benefits provision above, in addition to the following

- (a) this Contract must be in Force, except if the Extension of Benefits provision under the General Policy Provisions section applies,
- (b) you must have satisfied the Elimination Period, unless otherwise stated.
- (c) you must be receiving Qualified Long Term Care Services pursuant to a Plan of Care prescribed by a Licensed Health Care Practitioner, and
- (d) You must provide proof of such Chronic Illness as shown in the Claim Procedures section

### **Benefit Payments**

We will pay up to the Facility Care Daily Benefit or Home and Community Care [Daily] [Monthly] Benefit shown on the current Policy Schedule for actual expenses incurred

#### Benefits End

Benefit Payments will end if we do not receive Continued Proof of Loss or on the earliest of

- (a) the date on which you are no longer Chronically III,
- (b) the date you have exhausted the Maximum Lifetime Benefit, or the date this Contract Terminates, except if the Extension of Benefits provision under the General Policy Provisions section applies, or
- (c) the date the certification that you are Chronically III from your Licensed Health Care Practitioner expires

The following are definitions of special terms used in this section

# Illness

Chronically III, Chronic You are Chronically III if you have been certified, within the previous 12 months, but after the Effective Date, by a Licensed Health Care Practitioner as

- (a) being unable to perform without Substantial Assistance at least two Activities of Daily Living (ADLs) and Substantial Assistance is expected to be required for a period of at least 90 continuous days, or
- (b) requiring Substantial Supervision to protect yourself from threats to health and safety due to a Severe Cognitive Impairment

### Activities of Daily Living, ADLs

ADLs are the following

- (a) Bathing Washing yourself by sponge bath, or in either a tub or shower, including the task of getting into or out of the tub or shower
- (b) Continence The ability to maintain control of bowel and bladder function, or, when unable to maintain control of bowel or bladder function, the ability to perform associated personal hydiene, including caring for a catheter or colostomy bag.
- (c) Dressing Putting on and taking off all items of clothing and any necessary braces. fasteners, or artificial limbs
- (d) Eating Feeding yourself by getting food into your body from a receptacle, such as a plate, cup or table, or by feeding tube or intravenously
- (e) Toileting Getting to and from the toilet, getting on and off the toilet, and performing associated personal hygiene
- (f) Transferring Moving into or out of a bed, chair, or wheelchair

### **ELIGIBILITY FOR THE PAYMENT OF BENEFITS (CONTINUED)**

### Severe Cognitive Impairment

The deterioration or loss of your intellectual capacity which is confirmed by a Physician and measured by clinical evidence and standardized tests that reliably measure your impairment in

- (a) short or long term memory,
- (b) orientation as to people, such as who you are, places, such as where you are, or time, such as day, date and year,
- (c) judgement as it relates to safety awareness, which requires supervision or verbal cueing by another person to protect yourself and others, or
- (d) deductive or abstract reasoning

Coverage is provided for Alzheimer's Disease and forms of senility and irreversible dementia that result in a Severe Cognitive Impairment

#### **Substantial Assistance**

Stand-by or hands-on assistance without which you would not be able to safely and completely perform the ADL. Stand-by assistance means the presence of another person within arm's reach of you that is necessary to prevent, by physical intervention, injury to you while you are performing the ADL. Hands-on assistance means direct physical assistance of another person.

### Substantial Supervision

Requiring continual supervision by another person to protect you or others from threats to health or safety as a result of a Severe Cognitive Impairment. Such supervision may include cueing by verbal prompting, gestures, or other similar demonstrations.

### **FACILITY CARE BENEFIT**

This section describes benefits for care received in a Nursing Facility or Assisted Living Facility

### **Facility Care Benefit**

If you are confined in a Nursing Facility or an Assisted Living Facility, we will pay up to the Facility Care Daily Benefit shown on the current Policy Schedule for each day of care received in the Nursing Facility or Assisted Living Facility Payment of this benefit is subject to the Eligibility for the Payment of Benefits section

### Eligible Facility Care Expenses

Eligible Facility Care Expenses include charges incurred for

- (a) room and board, and
- (b) your care while confined in the facility

This does not include charges incurred for

- (a) physician's services,
- (b) medications, both prescription and nonprescription,
- (c) incontinence and other medical supplies,
- (d) guest meals,
- (e) beauty and barbershop,
- (f) gift shop,
- (g) cable television,
- (h) long-distance telephone, and
- (i) other ancillary charges

In addition to the information described in the Claim Procedures section of this Contract, Nursing Facilities and/or Assisted Living Facilities must also provide the following items

- (a) Proof of Nursing Facility or Assisted Living Facility licensure, certification, or accreditation if required under state law, and
- (b) Copies of invoices or statements that document dates of confinement and charges

The following are definitions of special terms used in this section

### **Nursing Facility**

A facility or institution, either separate or a distinct part of another health care facility, which is operated pursuant to law, providing the following such care as described

- (a) provides an organized, 24-hour program of services consistent with the needs of its residents under the supervision of a Physician,
- (b) provides medical and nursing services, as needed, under the supervision of a Physician or RN, and
- (c) maintains a daily medical record on each patient

Nursing Facility does not include

- (a) your Home,
- (b) Hospitals,
- (c) convalescent homes, board and rest homes, homes for aged, residential care facilities, domiciliary and retired care facilities, or training centers,
- (d) any facility where the patient is not required to pay,
- (e) an Assisted Living Facility, or
- (f) facilities otherwise excluded in this Contract

### **FACILITY CARE BENEFIT (CONTINUED)**

### **Assisted Living Facility**

A facility licensed or certified with the appropriate state agency to provide the care described below, or, if not licensed or certified, a facility which is engaged primarily in providing ongoing care and related services in one location, and which meets all of the following criteria

- (a) has at least one trained staff member on duty 24 hours per day,
- (b) provides continuous room and board,
- (c) provides Substantial Assistance or Substantial Supervision required by residents due to their inability to perform the Activities of Daily Living or due to a Severe Cognitive Impairment,
- (d) has formal arrangements for the services of a Physician or RN in case of an emergency, and
- (e) has formal procedures in place to manage all medical emergencies and medical needs, including the handling and dispensing of prescription and non-prescription drugs and medical treatments

Assisted Living Facility includes dementia care facilities that meet the above requirements

Assisted Living Facility does not include

- (a) your Home,
- (b) Hospitals,
- (c) independent living facilities or congregate housing for adults,
- (d) any facility where the patient is not required to pay,
- (e) a Nursing Facility, or
- (f) facilities otherwise excluded in this Contract

### HOME AND COMMUNITY CARE BENEFIT

This section describes benefits for care received in your Home or when you are not confined in a Nursing Facility or Assisted Living Facility

# Home and Community Care Benefit

We will pay up to the Home and Community Care [Daily] [Monthly] Benefit shown on the current Policy Schedule for the following covered Home and Community Care services

- (a) Home Health Care Services,
- (b) Adult Day Care Services, and
- (c) Hospice Care Services

The purpose of these services must be primarily to give needed assistance to you as a result of your being Chronically III

You are eligible for this benefit as long as you are not receiving Facility Care Benefits, and are not confined in a Hospital Payment of this benefit is subject to the Eligibility for the Payment of Benefits section

### Eligible Home and Community Care Expenses

Eligible Home and Community Care Expenses include charges incurred from

- (a) a Home Health Care Agency,
- (b) an Adult DayCare Services program,
- (c) a Hospice Care Services program, and
- (d) a caregiver who is employed by you who is an RN or nurse, a speech, occupational, physical, or respiratory therapist, or a Home Health Aide

This does not include charges incurred for

- (a) physician's services,
- (b) outpatient therapy in a Hospital or rehabilitation facility,
- (c) medications, both prescription and nonprescription,
- (d) incontinence and other medical supplies,
- (e) massage therapy, reflexology, acupuncture, and similar alternative healing services,
- (f) care provided to you by an Immediate Family Member or someone living in your Home,
- (g) housekeeper or housecleaning services when no other services are being provided as a result of your being Chronically III

In addition to the information described in the Claim Procedures section of this Contract, Home and Community Care providers must also provide the following items

- (a) Proof of Home and Community Care provider's licensure, certification, or accreditation, if required under state law,
- (b) Copies of invoices or statements that document dates of service and hours of care each day,
- (c) Copies of daily notes or nursing flow sheets, and

With respect to independent providers who are employed by you, we must also receive copies of your cancelled checks for payment of caregiver services

The following are definitions of special terms used in this section

### Home Health Care Services

Medical and nonmedical services provided in the Home that are intended to support frail, impaired, or other disabled adults who are not capable of independent living

Home Health Care Services may be provided by a Home Health Care Agency, a health care registry, or an independent provider who is privately employed by you. Home Health Care Services include

- (a) professional nursing care services by an RN or nurse licensed under state law, if any,
- (b) non-medical care services from a Home Health Aide licensed or certified under state law, if any, or from an individual with appropriate expenence in necessary caregiving procedures, and
- (c) therapeutic care services by or under the supervision of a speech, occupational, physical, or respiratory therapist licensed under state law, if any

### HOME AND COMMUNITY CARE BENEFIT (CONTINUED)

Home Health Care Services may also include assistance with homemaker services that are necessary to support your ability to remain in your Home, including assisting you with using the telephone, managing medications, moving about outside, shopping for essentials, preparing meals, doing your faundry, and light housekeeping. Homemaker services must be performed by the same individual assisting you with the Activities of Daily Living or providing supervision because you have a Severe Cognitive Impairment and must be provided during the same visit.

# Home Health Care Agency

A Hospital, agency, or other provider licensed, certified, or accredited under state law, if such licensing or accreditation is required, to provide Home Health Care Services

#### Home Health Aide

A person, other than an RN or nurse, who provides needed assistance to you as a result of your being Chronically III. A Home Health Aide must be duly licensed or certified under state law, if any, and must act within the scope of his or her license or certification at the time the treatment or service is performed.

#### **Adult Day Care Services**

Community based services, operated pursuant to law, provided in a group setting outside the Home that are intended to support frail, impaired, or other disabled adults who are not capable of full-time independent living. These services must include

- (a) care for six or more individuals during the day,
- (b) health-related services, and
- (c) recreational and social services

#### **Hospice Care Services**

Services provided in the event of a diagnosis of a terminal illness. Hospice Care Services help you, your primary caregiver, and your family member(s) with the physical, social, and spiritual needs brought about by your terminal illness. Hospice Care Services may be provided in your Home or in a hospice care facility.

### **ADDITIONAL BENEFITS**

This section describes the additional benefits included in this Contract

### Waiver of Premium Benefit

If you are Chronically III and have satisfied the Elimination Period, we will waive your premium as it comes due, subject to the Eligibility for the Payment of Benefits section

We will continue to waive each premium that comes due according to the Mode of Payment in effect at the time you become eligible for this benefit, as long as you continue to be Chronically III. Once you recover and are no longer Chronically III, you must pay each premium that comes due according to the Mode of Payment currently in effect.

Premiums will not be waived if you are only receiving benefits under the Alternative Plan of Care Benefit, Caregiver Training Benefit, Respite Care Benefit, or Care Coordination Advisor Benefit

### **Respite Care Benefit**

If you are Chronically III and are normally cared for by an informal caregiver, we will pay Respite Care Benefits for

- (a) the actual daily charges you incur for each day of care received in a Nursing Facility or an Assisted Living Facility, up to the Respite Facility Care Daily Benefit shown on the current Policy Schedule, or
- (b) the actual expenses you incur for each day you receive Home and Community Care, up to the Respite Home and Community Care Daily Benefit shown on the current Policy Schedule

The purpose of this benefit is to temporarily relieve an informal caregiver who is providing care to you in your Home. An informal caregiver is any person who is not paid to care for you.

The Elimination Period does not apply to this benefit and days of respite care will not be used to satisfy the Elimination Period The Respite Care Benefit is payable for a maximum of 30 days per calendar year

#### **Bed Reservation Benefit**

If you are receiving Benefit Payments and are confined in a Nursing Facility or an Assisted Living Facility, we will continue to pay the Facility Care Daily Benefit [and Monthly Indemnity Benefit] shown on the current Policy Schedule as if you were still confined in the Nursing Facility or the Assisted Living Facility if you

- (a) become hospitalized or temporarily leave the Nursing Facility or the Assisted Living Facility, and
- (b) are billed by the Nursing Facility or the Assisted Living Facility to reserve your accommodations

This benefit is subject to the Eligibility for the Payment of Benefits section. However, if the Elimination Period has not been satisfied, we will count each day that you are billed by the Nursing Facility or the Assisted Living Facility to reserve your accommodations toward the Elimination Period.

This benefit is available for a maximum of 60 days per calendar year

### **ADDITIONAL BENEFITS (CONTINUED)**

### Caregiver Training Benefit

If you are Chronically III, we will pay up to the Maximum Caregiver Training Benefit shown on the current Policy Schedule for expenses incurred for an informal caregiver to receive training to take care of you in your Home. An informal caregiver is any person who is not paid to care for you

The Elimination Period does not apply to this benefit and days of caregiver training will not be used to satisfy the Elimination Period

#### Alternative Plan of Care Benefit

The Alternative Plan of Care Benefit provides benefits for services which may include equipment purchases or rentals, permanent or temporary modifications to your Home, such as ramps or rails, or care services not normally covered under other benefit provisions in this policy. We reserve the right to make the final decision on any request for the Alternative Plan of Care Benefit.

We will pay the Alternative Plan of Care Benefit if

- (a) you are Chronically III.
- (b) you, your Licensed Health Care Practitioner, and we agree the Alternative Plan of Care Benefit is (1) medically acceptable, and (2) the most cost efficient manner in which to provide benefits for your claim under this Contract,
- (c) you have not exhausted the Maximum Lifetime Benefit, and
- (d) you agree that you will not receive payments for any other benefits under this Contract while the Alternative Plan of Care Benefit is being paid, unless otherwise agreed to by you and us

If the Elimination Period has not been satisfied, the remaining days needed to satisfy the Elimination Period will be multiplied by the Facility Care Daily Benefit and subtracted from the amount payable for the Alternative Plan of Care Benefit We will count each day that has been multiplied by the Facility Care Daily Benefit toward the Elimination Period

### Care Coordination Advisor Benefit

If you choose, we will provide you with access to care management professionals who will work with you, your family member(s), and your Licensed Health Care Practitioner to determine and monitor your care, including assessment of your situation and investigation of available care resources. This may include assistance developing and monitoring a Plan of Care with you, your family member(s), and your Licensed Health Care Practitioner. This service is not required for you to obtain Benefit Payments under this Contract. This service will not accumulate toward the Maximum Lifetime Benefit. The Elimination Period does not apply to this benefit and days of care coordination will not be used to satisfy the Elimination Period.

# [Monthly Indemnity Benefit

The Monthly Indemnity Benefit amount is shown on the current Policy Schedule. This amount will be paid in any month that you receive Benefit Payments under the Facility Care Benefit or Home and Community Care Benefit.

Benefits paid directly to the insured and not determined by the expenses incurred may be subject to taxation by the Internal Revenue Service and may cause this Contract to lose its status as a federally tax-qualified long term care insurance contract.]

# **ADDITIONAL BENEFITS (CONTINUED)**

# [Return of Premium Upon Death Benefit

If this Contract Terminates because of your death, we will pay a Return of Premium Upon Death Benefit to your Beneficiary, or to your estate if no Beneficiary has been designated

The Return of Premium Upon Death Benefit is equal to the total of premiums paid for this Contract, excluding any premiums waived, reduced by the total of benefits paid. If the total of benefits paid exceeds the total of premiums paid, excluding any premiums waived, this Return of Premium Upon Death Benefit will be zero.]

# [Full Return of Premium Upon Death Benefit

If this Contract Terminates because of your death, we will pay a Full Return of Premium Upon Death Benefit to your Beneficiary or to your estate if no Beneficiary has been designated. The Full Return of Premium Upon Death Benefit is equal to the total of premiums paid for this Contract, excluding any premiums waived.]

#### [Restoration of Benefits

If benefits have been paid and deducted from the Maximum Lifetime Benefit, the Maximum Lifetime Benefit will be restored to the amount shown on the current Policy Schedule plus increases per your benefit increase rider, if any, if, for a period of 180 consecutive days

- (a) this Contract is In Force,
- (b) you are not receiving Benefit Payments, and
- (c) you are no longer Chronically III

The Maximum Lifetime Benefit may be restored an unlimited number of times ]

# **LIMITATIONS AND EXCLUSIONS**

This section describes the benefits that are not payable even if you would otherwise qualify for benefits under this Contract

# Limitations and Exclusions

No benefits will be paid for any confinement, care, treatment, or service(s)

- (a) for alcoholism or drug addiction
- (b) that result from participating in a felony, a not or an insurrection
- (c) that result from an act of war, declared or undeclared, or during service in the armed forces
- (d) that result from your intentionally self-inflicted injury
- (e) provided outside the 50 states of the United States, the District of Columbia, or Canada[, except as described in the International Coverage Benefit Rider]
- (f) provided to you by an Immediate Family Member or someone living in your Home
- (g) for which you have no financial liability or that are provided at no charge in the absence of insurance
- (h) that are reimbursable under Medicare or would be so reimbursable but for the application of a deductible or coinsurance amount

#### **CLAIM PROCEDURES**

This section describes our claims process and how to file a claim. We will evaluate your claim based upon the information you provide us and other information we gather about your claim.

#### Notice of Claim

You, or someone acting on your behalf, must give us Notice of Claim for benefits within 30 days after the date of loss, or as soon as reasonably possible

Write or call us at the address or telephone number shown on the first page of this policy to notify us of your claim. In order to sufficiently identify you, the written notice should include your name, policy number, and the address to which the Claim Form should be sent.

#### Claim Form

We, upon receipt of Notice of Claim, will send you a Claim Form within 15 days to use in filing the Proof of Loss or if needed to determine Continued Proof of Loss. By completing all the items on the Claim Form and sending the required information to the address on the form, you will help us to expedite the processing of your claim.

If you, or anyone acting on your behalf, do not receive our Claim Form within 15 days of notifying us, you may file the Proof of Loss without our Claim Form by sending us a letter which describes the nature and extent of your loss

#### Proof of Loss

You will be considered to have provided Proof of Loss when we receive a Claim Form or a letter, as described in the Claim Form provision above

Proof of Loss must be sent to us within 90 days after the date of loss. If it is not possible to give us timely Proof of Loss, we will not reduce or deny your claim if Proof of Loss is filed as soon as you reasonably can provide the information to us. Unless you are not legally competent, the required Proof of Loss must be given to us no later than one year from the time specified.

To verify that you are eligible to receive Benefit Payments, we may also require, at our expense, a Physician's statement, including confirmation that the services are medically acceptable, and/or copies of relevant medical records from any Physician or health care provider involved in your care

# **Continued Proof of Loss**

Once we have verified that you are eligible to receive Benefit Payments, you will be considered to have provided Continued Proof of Loss when we receive regular statements and bills for covered care services, which include the date, nature, and charges for all services. We may also request, at least annually or as often as reasonably necessary, a completed supplemental Claim Form, which will include a request for an updated Plan of Care.

Continued Proof of Loss must be sent to us within 90 days after the end of each period for which we are liable. If it is not possible to give us timely Continued Proof of Loss, we will not reduce or deny your claim if Continued Proof of Loss is filed as soon as you reasonably can provide the information to us. Unless you are not legally competent, the required Continued Proof of Loss must be given to us no later than one year from the time specified.

At our expense, we may also require a Physician's statement, including confirmation that the services are medically acceptable, and/or copies of relevant medical records from any Physician or health care provider involved in your care

# **CLAIM PROCEDURES (CONTINUED)**

#### Time of Payment of Claims

Benefits payable for any loss, other than loss for which we provide periodic payment, will be paid immediately after we receive and verify Proof of Loss or Continued Proof of Loss Benefits payable for loss for which we provide periodic payment will be paid at least monthly after we receive and verify Proof of Loss or Continued Proof of Loss, and will continue until the Maximum Lifetime Benefit is exhausted. Any balance remaining unpaid upon termination of liability will be paid immediately upon receipt of due written proof.

If we do not pay benefits, either in whole or in part, upon receipt of written Proof of Loss, we will provide timely written notice, as required by law, to you to explain our reasons for not paying the claim. The letter will also provide you with an itemization of any documents or other information needed to process the claim or any portion not paid.

Payment of Claims

All benefits are paid to you or your assignee Any benefits unpaid at your death will be paid to your Beneficiary

Overpayment of Claims

If benefits have been overpaid, you have the responsibility to return any overpayments. We have the right to recover by offsetting against any amounts otherwise payable to you under this Contract.

Unpaid Premium

Upon the payment of a claim under this Contract, any premium due and unpaid will be deducted from the claim payment

**Physical Examination** 

We have the right, at our expense, to have you examined to determine your Eligibility for Benefits when and as often as reasonably necessary while a claim is pending

**Denial of Claims** 

If you receive written notice that we are not paying benefits, either in whole or in part, as described in the Time of Payment of Claims provision, you or your representative may request, in writing, an explanation of our reasons for not paying benefits. Within 60 days of the written request, we will provide a written explanation and make available all directly related information, unless such disclosure is prohibited under state or federal law.

## Claim Appeal Procedure

If you believe that our claim decision is in error, you may appeal our decision and we will reconsider your claim. Send us a written request at the address shown on the first page of this policy, no special form is required, explaining why you feel we should change our decision. Your written request must be submitted within 60 days, or as soon as reasonably possible, of your receipt of the explanation of benefits of your claim. You may authorize someone else to act for you in this process.

Your written request should include your name and policy number as well as the names, addresses and telephone numbers of any persons or organizations you believe we should contact to learn more about the claim under reconsideration

Once we have completed our review, we will notify you immediately of our decision. We will pay you any benefits we determine to be due to you as a result of our reconsideration. This notification will be sent to you no later than 30 days after receipt of your written request for appeal. If we require more than 30 days, we will notify you of the reasons for the delay. Our final decision on your appeal does not prevent you from taking further action.

**Legal Action** 

No Legal Action may be brought to recover benefits under this Contract within 60 days after Proof of Loss has been given. No action may be brought more than three years after the time Proof of Loss is required to be given.

Payor of Last Resort

The Department of Medical Assistance will be the Payor of Last Resort

#### **GENERAL POLICY PROVISIONS**

#### **Entire Contract**

The Entire Contract consists of this policy, the attached copy of the application, any attached Endorsements, and any attached Riders

#### **Contract Changes**

No change in coverage will be valid until approved by our President, together with our Secretary, and unless such approval is endorsed or attached to this Contract

No agent has authority to change this Contract or waive any of its provisions

#### Conformity with State Laws

Any provision of this Contract which, on its Effective Date, conflicts with the laws of the state in which you reside on that date is amended to conform to the minimum requirements of those laws

## Incontestability

We issued this Contract based on the information you provided in the application. All statements made by you are considered representations and not warranties. Any misrepresentation may cause this Contract to be voided or rescinded, or a claim to be denied.

If this Contract has been in Force for less than six months, upon a showing of misrepresentation that is material to the acceptance of coverage, we may rescind this Contract or deny an otherwise valid claim on this Contract

If this Contract has been in Force for at least six months, but less than two years, upon a showing of misrepresentation that is both material to the acceptance of coverage and that pertains to the condition for which benefits are sought, we may rescind this Contract or deny an otherwise valid claim on this Contract

After this Contract has been In Force for two years, it is not contestable upon the grounds of misrepresentation alone. After two years, this Contract may be contested only upon a showing that you knowingly and intentionally misrepresented relevant facts relating to your health.

# Misstatement of Age

If your age was understated at the time this Contract was issued, we will pay only such benefits as the premium paid would have purchased at the correct age. If your age was overstated at the time this Contract was issued, we will refund any excess premium paid when we have been notified of this fact. Our liability is limited to refunding premium paid, if according to the correct age, this Contract would not have been issued, and this Contract will be voided as of the Effective Date.

#### Paying Premiums

Renewal Premiums are due at the beginning of each Mode of Payment interval from the Effective Date Payments must be made to us You may change the Mode of Payment on your Policy Anniversary if you notify us

### **Grace Period**

This Contract has a 65-day Grace Period If a Renewal Premium is not paid on or before the date it is due, it may be paid during the following 65 days. This Contract will stay In Force during the Grace Period To keep this Contract In Force with no gap in coverage, you must pay your premium within the Grace Period If your premium remains unpaid after 65 days, this Contract will Terminate

# Unintended Lapse Protection

You have the right to elect a third party designee for us to notify before this Contract Terminates due to nonpayment of premium

If the Renewal Premium remains unpaid 30 days into the Grace Period, we will mail, by postage paid, first-class US mail, a notice to you and your third party designee, if elected, stating that this Contract is about to Lapse. Notice is considered to have been given as of five days after the date of mailing. You have an additional 30 days beyond the date this notice was given to pay your premium.

# **GENERAL POLICY PROVISIONS (CONTINUED)**

# Termination, Terminate, Terminates, Terminated

This Contract will Terminate and your coverage will end on the earliest of

- (a) the date you have exhausted the Maximum Lifetime Benefit,
- (b) the date this Contract Lapses due to nonpayment of premium.
- (c) the date this Contract is Cancelled by you, except if the Extension of Benefits provision applies, or
- (d) the date of your death

# Cancellation, Cancel, Cancelled

You may Cancel this Contract at any time by delivering or mailing written notice of Cancellation to us at the address shown on the first page of this policy. Cancellation will be effective upon receipt of such notice or on such later date as may be specified in such notice. If this Contract is Cancelled, the following provisions do not apply. Grace Period, Unintended Lapse Protection, and Waiver of Premium Benefit. The Cancellation will be without prejudice to any claim originating before the effective date of such Cancellation.

## Return of Unearned Premium Upon Cancellation or Termination

Upon Cancellation or Termination, we will return to you any unearned premium for this Contract within 30 days of the effective date of such Cancellation or Termination The effective date of the Cancellation is the later of

- (a) the date we receive your written request to Cancel this Contract in our home office, or
- (b) a later date specified in your written request to Cancel this Contract

The earned premium will be computed on a pro rata basis

### Return of Unearned Premium Upon Death

Upon your death, we will return any unearned premium for this Contract to your Beneficiary within 30 days of receipt of proof of your death. The earned premium will be computed on a pro rata basis.

#### Reinstatement

If this Contract Lapses, you may request to Reinstate this Contract to restore coverage You must submit an application to determine your eligibility for Reinstatement within five months of the date of Lapse You will be given a conditional receipt for any premium submitted with the application

If we do not approve your application, we will notify you in writing within 45 days from the date of your application and refund any premium that was submitted with the application. If we do not notify you within 45 days of our approval, this Contract will be Reinstated on the 45<sup>th</sup> day after the date of the conditional receipt. Your coverage will be Reinstated, subject to evidence of insurability and receipt of all past due and unpaid premiums.

This Contract will be Reinstated as of the last premium due date if we approve your application for Reinstatement and all premiums due are received. The Reinstated Contract will cover only loss due to an injury sustained after the date of Reinstatement and loss due to a sickness that begins more than 10 days after the Reinstatement. In all other aspects, your rights and ours will be the same as before this Contract Terminated, subject to any provisions endorsed or attached in connection with the Reinstatement.

### Reinstatement due to Chronic Illness

If this Contract Lapses due to nonpayment of premium due to a Chronic Illness that began before Lapse, you may request to Reinstate this Contract, within five months of the date of Lapse, by submitting

- (a) proof of such Chronic Illness, certified by a Licensed Health Care Practitioner, and
- (b) payment of all past due premiums

If we Reinstate this Contract after nonpayment of premium due to Chronic Illness

- (a) the Reinstatement will not require any evidence of insurability
- (b) there will be no gaps in coverage. Coverage will be a continuation of that provided before Reinstatement. This provision does not apply if this Contract has been Terminated due to any reason other than Lapse due to Chronic Illness.
- (c) premium is due from the date of the last premium payment, at the rate which would have been in effect had this Contract remained in Force Payment must be made within 15 days of our written request to you

## **GENERAL POLICY PROVISIONS (CONTINUED)**

## Maximum Lifetime Benefit

The total amount we will pay in your lifetime for all benefits, other than the Waiver of Premium Benefit and Care Coordination Advisor Benefit, provided by this Contract. The Maximum Lifetime Benefit is shown on the current Policy Schedule. The Maximum Lifetime Benefit is calculated as the Facility Care Daily Benefit times the Benefit Period, in years, times 365. The Facility Care Daily Benefit and Benefit Period are shown on the current Policy Schedule.

All benefits paid under this Contract accumulate toward the Maximum Lifetime Benefit, unless otherwise stated. [However, for Home and Community Care Benefits, only an amount up to [30 times] the Facility Care Daily Benefit will accumulate toward the Maximum Lifetime Benefit.]

[Any benefits paid before a Restoration of Benefits will not accumulate toward the restored Maximum Lifetime Benefit ]

## Right to Reduce Benefits

You have the right, exercisable any time after the first Policy Year, to lower the premium for this Contract by reducing the Facility Care Daily Benefit and/or Benefit Period, which in turn reduces the [Monthly Indemnity Benefit,] Home and Community Care [Daily] [Monthly] Benefit and Maximum Lifetime Benefit. Premium may also be reduced by increasing the Elimination Period. The new Facility Care Daily Benefit and Benefit Period must meet the minimum amounts allowable for this Contract. The new Elimination Period may not exceed the maximum amount allowable for this Contract. Your premium will be based on the reduced benefits and your age at the time this Contract was originally issued.

#### **Extension of Benefits**

If you are confined in a Nursing Facility or an Assisted Living Facility while this Contract is In Force, and such confinement continues without interruption after this Contract Terminates, Benefit Payments will continue until the earliest of

- (a) the date that you are no longer Chronically III,
- (b) the date the certification that you are Chronically III from your Licensed Health Care Practitioner expires, or
- (c) the date you have exhausted the Maximum Lifetime Benefit

Benefit Payments are subject to all other provisions of this Contract

#### Change of Beneficiary

You may change the Beneficiary at any time by giving us written notice. A change will not be effective until recorded by us. Once recorded, the change will apply as of the date the request was signed. We will not be liable for any action taken or payment made before a Beneficiary change is recorded. The Beneficiary's consent is not required to change this Contract or the Beneficiary, unless the designation of the Beneficiary is irrevocable.

#### **Duplicate Contract**

If you have misplaced this Contract and wish to request a duplicate copy, you will be assessed a fee. This fee is shown on the current Policy Schedule

#### **GLOSSARY**

This section provides the meaning of special terms used throughout this Contract. Most of these terms are capitalized throughout this Contract to help you easily recognize them

We, Our, Us or the Company

Allianz Life Insurance Company of North America, whether these terms are capitalized or

You, Your or Yourself

The person who is insured under this Contract, as shown on the current Policy Schedule, and is solely entitled to exercise all rights of this Contract, whether these terms are capitalized or not

**Beneficiary** 

The person or persons or entity named on the application, if any, unless later changed in writing, or the person or persons or entity designated as such in a written notice to us. The Beneficiary, or your estate if no Beneficiary has been designated, will receive any unassigned benefit payments, unearned premium, or any Rider benefits due upon your death.

Class

A population segment with similar characteristics such as issue age, underwriting and rating classification, elected benefit options, or Elimination Period

Contract

This policy, the attached copy of the application, any attached Endorsements, and any attached Riders are the Contract

**Effective Date** 

The date when coverage starts under this Contract, as shown on the current Policy Schedule. This date determines Policy Anniversaries and Policy Years.

[Elimination Period

The period of time that must be satisfied before we will pay you benefits and is the number of covered service days in which you

{service day definition}

- (a) are Chronically III,
- (b) have received care in either a Nursing Facility or Assisted Living Facility, or have received Home and Community Care, and
- (c) have not received Benefit Payments under this Contract

The Elimination Period is shown on the current Policy Schedule Each day of covered services under this Contract counts toward the Elimination Period The Elimination Period must only be satisfied once in your lifetime.]

[Elimination Period

The period of time that must be satisfied before we will pay you benefits and is the number of calendar days in which you

{calendar day definition}

- (a) are Chronically III,
- (b) have not received Benefit Payments under this Contract

The Elimination Period is shown on the current Policy Schedule Each calendar day beginning with the first day that you receive Qualified Long Term Care Services until you are no longer Chronically III counts toward the Elimination Period The Elimination Period must only be satisfied once in your lifetime.]

**Endorsement** 

An attachment to this policy that may provide an additional benefit or amend this Contract

Home

Any place where you reside, except a Nursing Facility, Assisted Living Facility, dementia care facility, hospice facility, or Hospital

## GLOSSARY (CONTINUED)

### Hospital

An institution or facility that is

- (a) licensed as a Hospital by the proper authority of the state in which it is located, or
- (b) accredited as a Hospital by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), or
- (c) operated as a Hospital pursuant to law

#### Immediate Family Member

Includes your spouse, and your spouse's or your daughter, daughter-in-law, son, son-inlaw, parent, sister, brother, grandparent or grandchild, and the same degree of relationship as effected by a domestic partnership, if recognized in the state where you reside

#### In Force

The period between the Effective Date and Termination of this Contract

#### Lapse, Lapses, or Lapsed

Termination of this Contract due to insufficient premium payment. Refer to the Grace Period and Unintended Lapse Protection provisions under the General Policy Provisions section.

# Licensed Health Care Practitioner

A person who is a Physician, as defined in section 1861(r)(1) of the Social Security Act, a Registered Professional Nurse, a Licensed Social Worker, or other individual who meets such requirements as prescribed by the Secretary of the Treasury

The Licensed Health Care Practitioner must not be an Immediate Family Member Neither the Licensed Health Care Practitioner nor any Immediate Family Member of the Licensed Health Care Practitioner can be an owner or in any way control the operation of a Nursing Facility, Assisted Living Facility, or Home Health Care Agency in which you receive care or treatment unless preauthorized by the Company

#### Licensed Social Worker

A person who is licensed by the state, if required, and acting within the scope of his or her professional responsibilities when providing an assessment indicating that you are Chronically III

We will not recognize you or an Immediate Family Member as a Licensed Social Worker for claims that you make to us under this Contract

#### Medicare

The program under the Health Insurance for the Aged Act, Title XVIII of the Social Security Amendments of 1965 and any later amendments or substitutes thereof

#### **Physician**

A person who

- (a) is licensed to practice medicine and surgery and prescribe and administer drugs,
- (b) is legally qualified as a medical practitioner and required to be recognized, under this Contract for insurance purposes, according to applicable state insurance laws, or
- (c) meets the requirements of section 1861(r)(1) of the Social Security Act

We will consider a person to be a Physician only when the person is performing tasks that are within the limits of the person's medical license, and such tasks are appropriate to the care of your Chronic Illness. We will not recognize you or an Immediate Family Member as a Physician for claims that you make to us under this Contract.

## **GLOSSARY (CONTINUED)**

#### Plan of Care

A written plant prescribed by a Licensed Health Care Practitioner developed in consultation with you, based upon an assessment indicating that you are Chronically III. The Plan of Care should recommend the frequency and type of Qualified Long Term Care Services most suitable to meet your need for Substantial Assistance or Substantial Supervision, and the most appropriate type of providers for such services. A Plan of Care must be confirmed in writing at least annually, or as often as reasonably necessary when changes to your Chronic Illness necessitate revisions to the Plan of Care to ensure your needs continue to be appropriately met. All Qualified Long Term Care Services covered under this Contract must be consistent with the Plan of Care.

#### **Policy Anniversary**

The day and month that corresponds to the day and month of the Effective Date that occurs on the same day and month in a specified year. The Effective Date is shown on the current Policy Schedule.

#### **Policy Year**

The period starting on a Policy Anniversary and ending on the day before the next Policy Anniversary This is before Termination of this Contract

# Qualified Long Term Care Services

Care provided to you in a Nursing Facility or an Assisted Living Facility under the Facility Care Benefit, and services provided to you through Home Health Care Services, Adult Day Care Services, or Hospice Care Services under the Home and Community Care Benefit

#### Registered Professional Nurse, RN

A duly licensed registered nurse acting within the scope of his or her license at the time the treatment or service is performed

We will not recognize you or an Immediate Family Member as a Registered Professional Nurse for claims that you make to us under this Contract

#### Renewal Premium

The Modal Premium due to keep this Contract In Force The Modal Premium and the Mode of Payment are shown on the current Policy Schedule

# Rider

An attachment to this policy that provides an additional benefit

# Allianz Life Insurance Company of North America [5701 Golden Hills Drive Minneapolis, MN 55416-1297]

[800/950-1962]

TAX-QUALIFIED LONG TERM CARE INSURANCE POLICY

# **POLICY SCHEDULE**

This section provides information that is specific to the benefits that you have chosen. Most of these terms are capitalized throughout this Contract to help you easily recognize them.

| Policy Benefits               | Facility Care Daily Benefit   | Up to \$ [150]   |
|-------------------------------|---|--|
|                               | [Home and Community Care Daily Benefit ( $[150] \times [100]\%$ ) [Home and Community Care Monthly Benefit ( $[150] \times [100]\% \times 30$ )   | Up to \$ [150]]<br>Up to \$ [4,500]]   |
|                               | Benefit Period  | [5] years  |
|                               | Maximum Caregiver Training Benefit (5 x \$[200])  | \$ [1,000]   |
|                               | Maximum Lifetime Benefit (\$[200] x [5] x 365)  | \$ [365,000]   |
|                               | Elimination Period  | [90] days  |
|                               | Respite Facility Care Daily Benefit   | Up to \$ [200]   |
|                               | Respite Home and Community Care Daily Benefit   | Up to \$ [200]   |
| [Optional Benefits<br>Elected | Monthly Indemnity Benefit option]   |  |
| [Optional Benefits            | Monthly Indemnity Benefit (\$[200] x [25]% = \$[50] x 30)   | \$1,500]   |
| [Rider Benefits<br>Elected    | International Coverage Benefit Rider] [5% Lifetime Compound Benefit Increase Rider]   |  |
| [Rider Benefits               | International Coverage Maximum Lifetime Benefit (\$[200] x 70% x 730)   | \$102,200]]  |
| Cost of Benefits              | Annualized cost for this policy without Rider and/or Optional Benefits [Annualized cost for the Rider and/or Optional Benefits ] [Total annualized cost of this policy with Rider and/or Optional Benefits ]  | [\$ cost of policy]<br>{\$ cost]<br>[\$ cost]  |
| Premium Summary               | Mode of Payment<br>Modal Premium  | [annual <b>]</b><br>\$ [1,200]   |
| General Policy<br>Information | Total annual premium if Mode of Payment is [annual semi-annual quarterly monthly EFT monthly bill monthly credit card  Policy Number Insured Issue Age of Insured (age last birthday) [Insured Spouse Effective Date Policy Schedule Date (this Policy Schedule replaces any previously issued Policy Schedule) Duplicate Contract Fee [Coverage Enhancement Rider Initial Option Date Range [Coverage Enhancement Rider Termination Date | \$ [1,200]<br>\$ [1,248]<br>\$ [1,272]<br>\$ [1,252 80]<br>\$ [1,296]<br>\$ [???]]<br>[1234567]<br>[John Doe]<br>[50]<br>Jane Doe]<br>[M/D/Y]<br>\$ [M/D/Y]<br>\$ [25]<br>[M/Y] - [M/Y]]<br>[M/D/Y]] |

11-PS-Q 3

## Component Header SERT-6L7NDC243/00-24/00-00/00

# **Component Header**

Component 24 - Rev 00

Created by Tammy Smasal on 03/15/2006

Assigned To Mary Ann Mason, Bob Grissom,

Company List Allianz Life Insurance Company

Sent 01/19/2006 03 57 00 PM

Other Authors None

TOI LTC031 Individual Long Term Care

SubTOI LTC03I 001 Qualified

**Tracking Information:** 

State Tracking # 7/26102 Component Status

(State)

Disapproved

Virginia

Disposition Date None Implementation None

Date

Deemer Date None Effective Date None Requirement None

Status

SERFF Tracking # Component Status

SERT-6L7NDC243/00-24/00-00/00

Viewed by State

Delivery Date

(SERFF)

Reviewer

03/15/2006 01 18 30 PM Mary Ann Mason, Bob Grissom,

[Receiver]

None

Reviewer Phone Reviewer Fax None Primary Reviewer None

Component Information:

Component Type Lead Form Number

11-P-Q-VA Form Title

Readability Score

Application for LTC1

None

Component Action State Specific Code

Company Form Number Replaces Form Number

None 11-A-FULL-VA, et al

Initial

11-A-FULL, et al (ch04)

Requirement

Satisfied

Brief Description Application for LTC1 Filer's Notes Replaces CH04

Document(s)

None

None

**Company Contact:** 

Lead Company Allianz Life Insurance Company of North America

Company Information Allianz Life Insurance Company of North Contact Smasal, Tammy

America

File Attachments. 11-A-FULL-VA pdf, 11-A-SIMP-VA pdf, 11-A-SEL-FULL-VA pdf,

11-A-SEL-SIMP-VA pdf

## Component Header SERT-6L7NDC243/00-25/00-00/00

# **Component Header**

Component 25 - Rev 00

Created by Tammy Smasal on 03/15/2006

Assigned To Mary Ann Mason, Bob Grissom,

Company List Allianz Life Insurance Company

Sent 01/19/2006 03 57 00 PM

Other Authors None

TOI LTC03I Individual Long Term Care

SubTOI LTC03I 001 Qualified

**Tracking Information:** 

State

Disposition Date

Implementation

7/26102 State Tracking # Component Status Approved

(State)

None None SERFF Tracking # Component Status

SERT-6L7NDC243/00-25/00-00/00

Viewed by State

Virginia

Delivery Date Reviewer

(SERFF)

03/15/2006 01 18 31 PM

Mary Ann Mason, Bob Grissom,

[Receiver] None

Date Deemer Date Effective Date Requirement

None None None

Reviewer Phone Reviewer Fax Primary Reviewer

None None

Status

**Component Information:** 

Component Type

Supporting Documentation Component Action

Initial

Lead Form Number

11-P-Q-VA None

None

State Specific Code

None

Requirement

Satisfied

Brief Description

Personal Worksheet

Filer's Notes

As requested, attached is the personal worksheet under its own

component header

Document(s)

**Company Contact:** Lead Company

Allianz Life Insurance Company of North America

Company Information

Contact

Allianz Life Insurance Company of North

Smasal, Tammy

America

File Attachments:

Generic Personal Worksheet (WS1) pdf

Allianz Life Insurance Company of North America [PO Box 1292 Minneapolis, MN 55440-1292]



## LONG TERM CARE INSURANCE PERSONAL WORKSHEET

People buy long term care insurance for many reasons. Some don't want to use their own assets to pay for long term care. Some buy insurance to make sure they can choose the type of care they get. Others don't want their family to have to pay for care or don't want to go on Medicaid. But long term care insurance may be expensive, and may not be right for everyone.

By state law, the insurance company must fill out part of the information on this worksheet and ask you to fill out the rest to help you and the company decide if you should buy this policy

| Premium Information (to be filled out by agent)   |  |  |  |  |
|---|--|--|--|--|
| Policy Form Number(s)   |  |  |  |  |
| The premium for the coverage you are considering will be \$ [] per month, or \$ [] per year   |  |  |  |  |
| Type of Policy. Guaranteed Renewable  |  |  |  |  |
| The Company's Right to Increase Premiums: The company has a right to increase premiums on this policy form in the future, provided we base the premium increase, by class, for everyone in your state, on the experience of this policy form. We will notify you in writing at least 60 days before your premium changes. |  |  |  |  |
| Rate Increase History The company has sold long term care insurance since 1990 and has sold this policy since [2006] The company has never raised its rates for any long term care policy it has sold in this state or any other state  |  |  |  |  |
| Questions Related to Your Income (to be filled out by applicant – proceed to "Disclosure Statement" if you choose not to complete this information)   |  |  |  |  |
| How will you pay each year's premium? (check one) □From my Income □From my Savings\Investments □My Family will pay  |  |  |  |  |
| □Have you considered whether you could afford to keep this policy if the premiums went up, for example, by 20%?   |  |  |  |  |
| What is your annual income? (check one)       □Under \$10,000       □\$[10-20,000]       □\$[20-30,000]         □\$[30-50,000]       □Over \$50,000   |  |  |  |  |
| How do you expect your income to change over the next 10 years? (check one)<br>□No change □Increase □Decrease   |  |  |  |  |
| If you will be paying premiums with money received only from your own income, a rule of thumb is that you may not be able to afford this policy if the premiums will be more than 7% of your income   |  |  |  |  |
| Will you buy inflation protection? (check one) □Yes □No   |  |  |  |  |
| If not, have you considered how you will pay for the difference between future costs and your daily benefit amount? (check one) □From my Income □From my Savings\Investments □My Family will Pay  |  |  |  |  |
| The national average annual cost of care in [2001] was [\$55,000], but this figure varies across the country <sup>1</sup> In ten years the national average cost would be about [\$89,589] if costs increase 5% annually  |  |  |  |  |

<sup>&</sup>lt;sup>1</sup> [Long Term Care Baby Boom Generation Increases Challenge of Financing Needed Services, United States General Accounting Office, March 2001] WS1

| What elimination period are you considering?  |
|---|
| Number of days Approximate cost \$ for that period of care  |
| How are you planning to pay for your care during the elimination period? (check one) □From my Income □From my Savings\Investments □My Family will Pay   |
| Questions Related to Your Savings and Investments (to be filled out by applicant)   |
| Not counting your home, about how much are all of your assets (your savings and investments) worth? (check one)   |
| □Under \$20,000 □\$20,000-\$30,000 □\$30,000-\$50,000 □Over \$50,000  |
| How do you expect your assets to change over the next ten years? (check one) □Stay about the same □Increase □Decrease   |
| If you are buying this policy to protect your assets and your assets are less than \$30,000, you may wish to consider other options for financing your long term care   |
| Disclosure Statement . (to be filled out by applicant)  |
| ☐ The answers to the questions above describe my financial situation  |
| Or I choose not to complete this information (If this box is checked, applicant must complete "Authorization to Process Application" (Form X-0183) in order for application to be processed.)   |
| (One of the above boxes, as well as the below box, must be checked )  |
| PLEASE READ – THE BELOW BOX MUST BE CHECKED  I acknowledge that the carrier and/or its agent (below) has reviewed this form with me including the premium, premium rate increase history and potential for premium increases in the future. I understand the above disclosures. I understand that the rates for this policy may increase in the future. |
| Signed  |
| (Applicant) (Date)  |
| □ I explained to the applicant the importance of completing this information. (This box must be checked.)   |
| Signed  |
| (Agent) (Date)  |
| Agent's Printed Name  |
| In order for us to process your application, please return this signed statement to Allianz Life Insurance Compan of North America along with your application  |
| My agent has advised me that this policy does not seem to be suitable for me. However, I still want the companto consider my application  |
| Signed  |
| (Applicant) (Date)  |
| The company may contact you to verify your answers  |

## Component Header SERT-6L7NDC243/00-26/00-00/00

# **Component Header**

Component 26 - Rev 00 Sent 01/19/2006 03 57 00 PM

Created by Tammy Smasal on 05/31/2006 Other Authors None

Assigned To Mary Ann Mason, Bob Grissom, TOI LTC03I Individual Long Term Care

SubTOI LTC031 001 Qualified Company List Allianz Life Insurance Company

Tracking Information:

State Virginia 7/26102 State Tracking # SERFF Tracking #

SERT-6L7NDC243/00-26/00-00/00 Component Status Component Status Received Viewed by State

(State) &Acknowledged (SERFF)

Delivery Date Disposition Date None 05/31/2006 10 10 13 AM Implementation Reviewer None Mary Ann Mason, Bob Grissom,

Date [Receiver]

Deemer Date None Reviewer Phone None Effective Date None Reviewer Fax None Requirement None Primary Reviewer None

Status

Component Information:

Component Type Supporting Component Action Initial

Documentation

11**-**P-Q-VA Lead Form Number State Specific Code None

Requirement None

Satisfied

**Brief Description** Response to 05/09/2006 Problem Report Filer's Notes I hope that our response addresses all of your remaining issues I

did call you to go over the revisions I was making, however, you were unavailable, and I left you a message, but never received a return phone call If there are any remaining issues, let me know, and I

will rectify them ASAP Thanks for your help

Document(s) None

**Company Contact:** 

Lead Company Allianz Life Insurance Company of North America

Company Information Contact Allianz Life Insurance Company of North Smasal, Tammy

America

File Attachments: VA GenPro II Response Letter2 pdf

# Allianz Life Insurance Company of North America 5701 Golden Hills Drive Minneapolis, MN 55416-1297



May 31, 2006

Mary Ann Mason, Senior Insurance Market Examiner State Corporation Commission, Bureau of Insurance Forms and Rates Section, Life and Health Division PO Box 1157 Richmond, VA 23218

RE: SERT-6L7NDC243/00

Submission No: 007 0000026102

Dear Ms Mason

In response to your correspondence dated May 9, 2006, the following restates and addresses your concerns in the order they were presented

Please add "care" to the caption for adult day services if this provision is intended to conform to the definition of adult day care as expressed in 14 VAC 5-200-50.

In accordance with 14 VAC 5-200-50, all references in the policy and outlines of coverage to "Adult Day Services" have been replaced with "Adult Day Care Services"

Please replace the policy under CH23 with the attached policy

Please replace the outlines under CH19 with the attached outlines

The claim form must not be more restrictive than "a written statement as to the nature and extent of the loss." The additional requirements and lead-in items must be removed. This is a uniform policy provision that the Commonwealth of Virginia recognizes as its claim forms provision. The provision in the statute (as expressed) by Section 38.2-3503 6 of the Code of Virginia prevails. A written statement is not required to be accompanied by bills or any other documentation.

In accordance with Section 38 2-3503 6, the second paragraph of the "Claim Form" provision under the Claim Procedures section has been revised to read as follows "If you, or anyone acting on your behalf, do not receive our Claim Form within 15 days of notifying us, you may file the Proof of Loss without our Claim Form by sending us a letter which describes the nature and extent of your loss" The list of items that the letter should include has been deleted. Please replace the policy under CH23 with the attached policy.

Section 38.2-3503 7 sets forth a proof of loss provision that is based solely on "written proof of loss" and this uniform policy provision should be the same in the policy. The statute prevails.

In accordance with Section 38 2-3503 7, the "Proof of Loss" provision under the Claim Procedures section has been revised to delete reference to "applicable statements and bills for covered care services which include the date, nature, and charges for all services" with respect to the claim form or letter

In addition, the "Proof of Loss" and "Continued Proof of Loss" provisions under the Claim Procedures section have been revised to delete reference to the company also requiring a personal interview with the insured or caregiver

Please replace the policy under CH23 with the attached policy

#### The application still must display the questions in 14 VAC 5-200-110 A 1 and 2 separately..

Question #1 under Section 3 Other insurance information in the applications has been revised to split such question into the following two questions

- 1 Do you have another long term care insurance policy or certificate in force (including a health services plan contract or a health maintenance organization contract)?
- 2 Did you have another long term care insurance policy or certificate in force during the last 12 MONTHS?

Please replace the applications under CH24 with the attached applications

# For clarity, please revise the certification required by Section 38.2-3402 to "...and the applicant realizes that any false statement..."

The certification required by Section 38 2-3402 under Section 11. Your agreement and acknowledgement in the applications has been revised to clarify that "the proposed insured(s) realize that any false statement." Please replace the applications under CH24 with the attached applications

# You are correct regarding the compliance certification but a signature of an officer of the company, attorney, or actuary representing the company is still required (this is not bypassed).

The uniform transmittal document has been revised to replace my electronic signature under Section 15 Certification with Vickie Hendrickson's electronic signature who is our Assistant Vice President of Compliance Please replace the transmittal under CH22 with the attached transmittal

To the best of our knowledge and belief, the above forms conform to all State Insurance Statutes, Regulations and Department requirements

Please do not hesitate to call me with any questions you may have at 800-328-5601, extension 32804 Thank you for your consideration

Sincerely,

Tammy Smasal

Sr Compliance Analyst Product/Forms Filing Compliance E-mail tammy\_smasal@allianzlife.com Fax 763/582-6495

## Component Header SERT-6L7NDC243/00-27/00-00/00

# Component Header

Component 27 - Rev 00

Created by Tammy Smasal on 05/31/2006

Assigned To Mary Ann Mason, Bob Grissom,

Company List Allianz Life Insurance Company

Sent 01/19/2006 03 57 00 PM

Other Authors None

TOI LTC03I Individual Long Term Care

SubTOI LTC03I 001 Qualified

Tracking Information:

State

State Tracking # Component Status

Received

(State) Disposition Date Implementation

None

Date

Deemer Date Effective Date

Requirement Status

Virginia 7/26102

&Acknowledged

None

None

None None SERFF Tracking #

Component Status

(SERFF) Delivery Date

Reviewer

Reviewer Phone

Reviewer Fax Primary Reviewer SERT-6L7NDC243/00-27/00-00/00 Viewed by State

11-OC-Q-FULL-VA, et al

05/31/2006 10 10 15 AM Mary Ann Mason, Bob Grissom,

[Receiver]

None None None

**Component Information:** 

Component Type Lead Form Number

11-P-Q-VA

Form Title

Outline of Coverage for

LTC<sub>1</sub>

None

Readability Score see certificate Replaces Form

Component Action

State Specific Code

Company Form Number

ch19

Initial

None

Number

Requirement

Satisfied

Bnef Description

Outline of Coverage for LTC1 Filer's Notes

Document(s)

None None

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

Company Information

Allianz Life Insurance Company of North

America

Contact

Smasal, Tammy

File Attachments:

11-OC-Q-FULL-VA2 pdf, 11-OC-Q-SIMP-VA2 pdf, 11-OC-Q-SEL-FULL-VA2 pdf,

11-OC-Q-SEL-SIMP-VA2 pdf

Allianz Life Insurance Company of North America [Home Office Minneapolis, MN] [5701 Golden Hills Drive Minneapolis, MN 55416-1297 800/729-8505]



# OUTLINE OF COVERAGE FOR LONG TERM CARE INSURANCE POLICY FORM 11-P-Q-VA

THE CONTRACT IS INTENDED TO QUALIFY FOR FAVORABLE FEDERAL TAX TREATMENT

As such, it must meet certain federal standards, in addition to all applicable standards in the state in which the Contract was issued or issued for delivery. If you have any questions regarding the tax qualifications of the Contract, you should direct such questions to the appropriate federal agency, or you should contact your tax advisor.

<u>CAUTION</u>: The Contract may not apply when you have a claim! Please read! The issuance of the long term care insurance Contract is based upon your responses to the questions on your application. A copy of your application will be attached to the policy. If your responses are incorrect or untrue, we have the right to deny benefits or rescind the Contract, subject to the policy's Incontestability provision. The best time to clear up any questions is now, before a claim arises! If, for any reason, any of your responses are incorrect, write or call us at the address or telephone number shown above.

**NOTICE TO BUYER:** The Contract may not cover all of the costs associated with long term care incurred by you during the period of coverage. You are advised to carefully review all limitations

The Contract is an individual Contract of insurance.

Purpose of Outline of Coverage - This outline of coverage provides a very brief description of the important features of the Contract. You should compare this outline of coverage to outlines of coverage for other contracts available to you. This is not an insurance contract, but only a summary of coverage. Only the individual Contract contains governing contractual provisions. This means that the Contract sets forth in detail the rights and obligations of both you and the insurance company. Therefore, if you purchase this coverage, or any other coverage, it is important that you READ THE CONTRACT CAREFULLY!

Terms Under Which the Contract May Be Returned and Premium Refunded - If you are not satisfied with the Contract, you have 30 days to return it to us or the agent from whom it was purchased for a full refund of any premium you have paid If the Contract is Cancelled by you or Terminated by us after 30 days, we will return to

you any unearned premium for the Contract within 30 days of the effective date of such Cancellation or Termination. The effective date of the Cancellation is the date we receive your written Cancellation request or a later date specified in your written Cancellation request, whichever is later. Upon your death, we will return any unearned premium for the Contract to your Beneficiary, or to your estate if no Beneficiary has been designated, within 30 days of receipt of proof of your death

This Is Not Medicare Supplement Coverage - If you are eligible for Medicare, review the Guide to Health Insurance for People with Medicare available from us. Neither Allianz Life Insurance Company of North America nor its agents represent Medicare, the federal government, or any state government

Long Term Care Coverage - Contracts of this category are designed to provide coverage for one or more necessary or medically necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services, provided in a setting, other than an acute care unit of a Hospital, such as in a Nursing Facility, in the community, or in the Home The Contract provides coverage in the form of an expense incurred benefit for covered long term care expenses, subject to Contract provisions, limitations, exclusions, and the Elimination Period

# BENEFITS PROVIDED BY THE POLICY

Covered Care - The Contract provides benefits for Qualified Long Term Care Services This includes Facility Care provided in a Nursing Facility or an Assisted Living Facility and Home and Community Care, which provides benefits for Adult Day Care Services, Home Health Care Services, and Hospice Care Services Benefits are also provided for Respite Care, Bed Reservation, Caregiver Training, an Alternative Plan of Care, and a Care Coordination Advisor

Elimination Period - This is the period of time that must be satisfied before benefits become payable under the Contract and is the number of days in which you: must be Chronically Ill; have received care in either a Nursing Facility or an Assisted Living Facility, or have received Home and Community Care, and have not received Benefit Payments under the Contract. You may choose an Elimination Period of 7, 30, 60, 90, 180, or 365 days. Once you have satisfied the Elimination Period, no future Elimination Period is required Days may be accumulated under separate claims in order to satisfy the Elimination Period.

Maximum Lifetime Benefit - This is the total amount we will pay in your lifetime for all benefits (other than the Waiver of Premium Benefit) provided by the Contract The Maximum Lifetime Benefit is shown on the Policy Schedule. The Maximum Lifetime Benefit is calculated as the Facility Care Daily Benefit times the Benefit Period (in years) times 365. The Facility Care Daily Benefit and Benefit Period are shown on the Policy Schedule All benefits paid under the Contract

accumulate toward the Maximum Lifetime Benefit, unless otherwise stated. However, for Home and Community Care Benefits, only an amount up to the Facility Care Daily Benefit will accumulate toward the Maximum Lifetime Benefit

Facility Care Benefit - If you are confined in a Nursing Facility or Assisted Living Facility, we will pay up to the Facility Care Daily Benefit elected on the application for each day of care received in the Nursing Facility or Assisted Living Facility. Payment of this benefit is subject to the Eligibility for the Payment of Benefits section. The Facility Care Daily Benefit and Maximum Lifetime Benefit are shown on the Policy Schedule. The Facility Care Daily Benefit available ranges from \$50 to \$500 per day in increments of \$10.

Home and Community Care Benefit - We will pay up to the Home and Community Care Daily Benefit elected on the application for covered Home Health Care Services, Adult Day Care Services, and Hospice Care Services, as long as you are not receiving Facility Care Benefits, and are not confined in a Hospital Payment of this benefit is subject to the Eligibility for the Payment of Benefits section. The Home and Community Care Daily Benefit and Maximum Lifetime Benefit are shown on the Policy Schedule. The Home and Community Care Daily Benefit available is 70%, 100%, or 130% of the elected Facility Care Daily Benefit

The purpose of these services must be primarily to give needed assistance to you as a result of your being Chronically III

Respite Care Benefit - If you are Chronically Ill and are normally cared for by an informal caregiver, we will pay the actual daily charges you incur for each day of care received in a Nursing Facility or an Assisted Living Facility, up to the Respite Facility Care Daily Benefit, or the actual expenses you incur for each day you receive Home and Community Care, up to the Respite Home and Community Care Daily Benefit

The purpose of this benefit is to temporarily relieve an informal caregiver who is providing care to you in your Home An informal caregiver is any person who is not paid to care for you The Elimination Period does not apply to this benefit and days of respite care will not be used to satisfy the Elimination Period The Respite Care Benefit is payable for a maximum of 30 days per calendar year

Bed Reservation Benefit - If you are receiving Benefit Payments and are confined in a Nursing Facility or Assisted Living Facility, we will continue to pay the Facility Care Daily Benefit and Monthly Indemnity Benefit (if the Monthly Indemnity Benefit option is elected) as if you were still confined in the Nursing Facility or Assisted Living Facility if you

- become hospitalized or temporarily leave the Nursing Facility or Assisted Living Facility, and
- are billed by the Nursing Facility or Assisted Living Facility to reserve your accommodations

This benefit is subject to the Eligibility for Payment of Benefits section. However, if the Elimination Period has not been satisfied, we will count each day that you are billed by the Nursing Facility or the Assisted Living Facility to reserve your accommodations toward the Elimination Period. This benefit is available for a maximum of 60 days per calendar year.

Caregiver Training Benefit - If you are Chronically III, we will pay up to the Maximum Caregiver Training Benefit (five times the Facility Care Daily Benefit elected on the application) shown on the Policy Schedule for expenses incurred for an informal caregiver to receive training to take care of you in your Home An informal caregiver is any person who is not paid to care for you

The Elimination Period does not apply to this benefit and days of caregiver training will not be used to satisfy the Elimination Period

Alternative Plan of Care Benefit - An Alternative Plan of Care Benefit is available, if agreed to by you, your Licensed Health Care Practitioner, and us

The Alternative Plan of Care Benefit provides benefits for services which may include equipment purchases or rentals, permanent or temporary modifications to your Home (such as ramps or rails), or care services not normally covered under other benefit provisions. We reserve the right to make the final decision on any request for the Alternative Plan of Care Benefit

If the Elimination Period has not been satisfied, the remaining days needed to satisfy the Elimination Period will be multiplied by the Facility Care Daily Benefit and subtracted from the amount payable for the Alternative Plan of Care Benefit We will count each day that has been multiplied by the Facility Care Daily Benefit toward the Elimination Period

Care Coordination Advisor Benefit - If you choose, we will provide you with access to care management professionals who will work with you, your family member(s), and your Licensed Health Care Practitioner to determine and monitor your care, including assessment of your situation and investigation of available care resources. This may include assistance developing and monitoring a Plan of Care with you, your family member(s), and your Licensed Health Care Practitioner service is not required for you to obtain Benefit Payments under the Contract This service will not accumulate toward the Maximum Lifetime Benefit The Elimination Period does not apply to this benefit and days of care coordination will not be used to satisfy the Elimination Period

## ADDITIONAL BENEFIT OPTIONS

Calendar Day Elimination Period – For additional premium, if you are Chronically Ill, each calendar day beginning with the first day that you receive Qualified Long Term Care Services until you are no longer Chronically Ill will count toward the Elimination Period

Home and Community Care Monthly Benefit For additional premium, if you are receiving
Benefit Payments under the Home and Community
Care Benefit, we will pay up to the number of days
in the month times the Home and Community Care
Daily Benefit on a monthly basis for the actual
expenses incurred during the month

Monthly Indemnity Benefit - For additional premium, this benefit provides a Monthly Indemnity Benefit amount in any month that you receive Benefit Payments under the Facility Care Benefit or Home and Community Care Benefit The Monthly Indemnity Benefit amount is shown on the Policy Schedule This amount is calculated as the percentage (10%, 25%, or 50%) of the Facility Care Daily Benefit elected on the application multiplied by 30

Return of Premium Upon Death Benefit - For additional premium, this benefit pays a Return of Premium Upon Death Benefit to your Beneficiary if the Contract Terminates because of your death. The Return of Premium Upon Death Benefit is equal to the total of premiums paid for the Contract, excluding any premiums waived, reduced by the total of benefits paid. If the total of benefits paid exceeds the total of premiums paid, excluding any premiums waived, this Return of Premium Upon Death Benefit will be zero.

Full Return of Premium Upon Death Benefit - For additional premium, this benefit pays a Full Return of Premium Upon Death Benefit to your Beneficiary if the Contract Terminates because of your death The Return of Premium Upon Death Benefit is equal to the total of premiums paid for the Contract, excluding any premiums waived

Restoration of Benefits - For additional premium, if benefits have been paid and deducted from the Maximum Lifetime Benefit, the Maximum Lifetime Benefit will be restored, plus increases per your benefit increase rider, if any, if for a period of 180 consecutive days.

- the Contract is In Force,
- you are not receiving Benefit Payments, and
- you are no longer Chronically Ill

The Maximum Lifetime Benefit may be restored an unlimited number of times

# ELIGIBILITY FOR THE PAYMENT OF BENEFITS

Eligibility for Benefits - To be eligible for benefits under the Contract, you must be Chronically III The Chronic Illness must have begun after the Effective Date.

Limitations or Conditions on Eligibility for Benefits – To receive Benefit Payments, you must meet the Eligibility for Benefits provision above, in addition to the following:

- the Contract must be In Force,
- you must have satisfied the Elimination Period, unless otherwise stated;
- you must be receiving Qualified Long Term Care Services pursuant to a Plan of Care prescribed by a Licensed Health Care Practitioner, and
- you must provide proof of such Chronic Illness as shown in the Claim Procedures section of the policy

Benefit Payments - We will pay up to the Facility Care Daily Benefit or Home and Community Care Daily Benefit for actual expenses incurred. The Facility Care Daily Benefit and Home and Community Care Daily Benefit are shown on the Policy Schedule.

# IMPORTANT DEFINITIONS

Activities of Daily Living (ADLs) are the following.

- Bathing. Washing yourself by sponge bath, or in either a tub or shower, including the task of getting into or out of the tub or shower
- Continence. The ability to maintain control of bowel and bladder function, or, when unable to maintain control of bowel or bladder function, the ability to perform associated personal hygiene, including caring for a catheter or colostomy bag

- Dressing Putting on and taking off all items of clothing and any necessary braces, fasteners, or artificial limbs
- Eating Feeding yourself by getting food into your body from a receptacle (such as a plate, cup, or table), or by feeding tube or intravenously.
- Toileting. Getting to and from the toilet, getting on and off the toilet, and performing associated personal hygiene.
- Transferring Moving into or out of a bed, chair, or wheelchair.

Chronically III means you have been certified, within the previous 12 months, but after the Effective Date, by a Licensed Health Care Practitioner as

- being unable to perform without Substantial Assistance at least 2 ADLs and Substantial Assistance is expected to be required for a period of at least 90 continuous days, or
- requiring Substantial Supervision to protect yourself from threats to health and safety due to a Severe Cognitive Impairment

Class means a population segment with similar characteristics such as issue age, underwriting and rating classification, elected benefit options, or Elimination Period

Licensed Health Care Practitioner is a person who is a Physician (as defined in section 1861(r)(1) of the Social Security Act), a Registered Professional Nurse, a Licensed Social Worker, or other individual who meets such requirements as prescribed by the Secretary of the Treasury

# Licensed Social Worker is a person who is

- licensed by the state, if required, and
- acting within the scope of his or her professional responsibilities when providing an assessment indicating that you are Chronically Ill.

We will not recognize you or an Immediate Family Member as a Licensed Social Worker for claims that you make to us under the Contract Physician is a person who

- is licensed to practice medicine and surgery and prescribe and administer drugs,
- is legally qualified as a medical practitioner and required to be recognized as a Physician, under the Contract for insurance purposes, according to applicable state insurance laws, or
- meets the requirements of section 1861(r)(1) of the Social Security Act

We will consider a person to be a Physician only when the person is performing tasks that are within the limits of the person's medical license, and such tasks are appropriate to the care of your Chronic Illness. We will not recognize you or an Immediate Family Member as a Physician for claims that you make to us under the Contract

Qualified Long Term Care Services are care provided to you in a Nursing Facility or an Assisted Living Facility under the Facility Care Benefit; and services provided to you through Home Health Care Services, Adult Day Care Services, or Hospice Care Services under the Home and Community Care Benefit

Registered Professional Nurse (RN) is a duly registered nurse acting within the scope of his or her license at the time the treatment or service is performed

We will not recognize you or an Immediate Family Member as a Registered Professional Nurse for claims that you make to us under the Contract

Severe Cognitive Impairment is the deterioration or loss of your intellectual capacity which is confirmed by a Physician and measured by clinical evidence and standardized tests that reliably measure your impairment in

- short or long term memory,
- orientation as to people (such as who you are), places (such as where you are), or time (such as day, date and year),
- judgement as it relates to safety awareness, which requires supervision or verbal cueing by another person to protect yourself and others; or
- deductive or abstract reasoning

Coverage is provided for Alzheimer's Disease and forms of senility and irreversible dementia that result in a Severe Cognitive Impairment

Substantial Assistance means stand-by or handson assistance without which you would not be able to safely and completely perform the ADL. Standby assistance means the presence of another person within arm's reach of you that is necessary to prevent, by physical intervention, injury to you while you are performing the ADL. Hands-on assistance means the direct physical assistance of another person

Substantial Supervision means requiring continual supervision by another person to protect you or others from threats to health or safety as a result of a Severe Cognitive Impairment Such supervision may include cueing by verbal prompting, gestures, or other similar demonstrations

#### LIMITATIONS AND EXCLUSIONS

Limitations and Exclusions - No benefits will be paid for any confinement, care, treatment, or service(s):

- for alcoholism or drug addiction
- that result from participating in a felony, in a riot, or an insurrection.
- that result from an act of war, declared or undeclared, or during service in the armed forces
- that result from your intentionally self-inflicted injury
- provided outside the 50 states of the United States, the District of Columbia, or Canada [, except as described in the International Coverage Benefit Rider].
- provided to you by an Immediate Family Member or someone living in your Home
- for which you have no financial liability or that are provided at no charge in the absence of insurance.
- that are reimbursable under Medicare or would be so reimbursable but for the application of a deductible or coinsurance amount

THE CONTRACT MAY NOT COVER ALL EXPENSES ASSOCIATED WITH YOUR LONG TERM CARE NEEDS.

Relationship of Cost of Care and Benefits Because the costs of long term care services will
likely increase over time, you should consider
whether and how the benefits of this plan may be
adjusted. The benefit levels of the basic Contract
will not increase over time. For additional
premium, you may purchase one of the optional
Inflation Protection Riders described later in this
outline.

Terms Under Which the Contract May Be Continued In Force or Discontinued CONTRACT RENEWABILITY. THE GUARANTEED RENEWABLE. This means you have the right, subject to the terms of the Contract, to continue the Contract as long as you pay your premiums on time Allianz Life Insurance Company of North America cannot change any of the terms of the Contract on its own, except that, in the future, IT MAY INCREASE THE PREMIUM YOU PAY.

Waiver of Premium Benefit - If you are Chronically III and have satisfied the Elimination Period, we will waive your premium as it comes due, subject to the Eligibility for the Payment of Benefits section. We will continue to waive each premium that comes due according to the Mode of Payment in effect at the time you become eligible for this benefit, as long as you continue to be Chronically III.

Premiums will not be waived if you are only receiving benefits under the Respite Care Benefit, Caregiver Training Benefit, Alternative Plan of Care Benefit, or Care Coordination Advisor Benefit

Grace Period - Except for the first premium, you will have 65 days after each due date to pay the premium due. If your premium is not paid by the 30th day of the Grace Period, we will notify you and an individual designated by you to receive notice of possible Lapse due to non-payment of premium. Notice is considered to have been given as of 5 days after the date of mailing. You have an additional 30 days beyond the date this notice was given to pay your premium. The Contract remains In Force during the Grace Period.

Terms Under Which the Company May Change Premiums - Premium rates are guaranteed not to change for the first five Policy Years. After the fifth Policy Year, the Company may change the premium rates for the Contract, subject to the approval of the state insurance department, only if we base the premium change, by Class for everyone in your state, on the experience of this form. Any premium change will occur on the Policy Anniversary. We will notify you in writing at least 60 days before your premium changes.

Alzheimer's Disease - Subject to any applicable Elimination Period and Limitations or Exclusions described above, the Contract provides coverage for Alzheimer's Disease and forms of senility and irreversible dementia that result in a Severe Cognitive Impairment

| PREMIUM WORKSHEET - LONG   | G TERM CARE INSURANCE   |  |  |  |  |
|--|---|--|--|--|--|
| ELIMINATION PERIOD: [ 7 Days 30 Days 60 Days 90 Days 180 Days 365 Days]  |   |  |  |  |  |
| UNDERWRITING CLASS APPLIED FOR:  |   |  |  |  |  |
| ☐ Preferred Plus ☐ Preferred ☐ Standard ☐ Select I ☐ Select II   |   |  |  |  |  |
| MAXIMUM FACILITY CARE DAILY BENEFIT APPLIED FOR: (choice of [\$50 - \$500 in increments of \$10]) \$   |   |  |  |  |  |
| INDEMNITY BENEFIT OPTION APPLIED FOR: (choose percentage of Facility Care Daily Benefit to receive as cash) □ 0% □ 10% (Monthly Indemnity Benefit) □ 25% (Monthly Indemnity Benefit) □ 50% (Monthly Indemnity Benefit) □ 100% (Full Indemnity Benefit – FCDB cannot exceed \$250)  |   |  |  |  |  |
| MAXIMUM HOME AND COMMUNITY CARE DAIL   | LY BENEFIT APPLIED FOR:   |  |  |  |  |
| (choose percentage of Maximum Facility Care Daily Benefit) ☐ 70% ☐ 100% ☐ 130%   |   |  |  |  |  |
| BENEFIT PERIOD APPLIED FOR: □ 2 Years □ 3 Years □ 4 Years □ 5 Years □ 8 Years*   |   |  |  |  |  |
| ☐ Lifetime*]   |   |  |  |  |  |
| OPTIONAL B   | ENEFITS   |  |  |  |  |
| INFLATION PROTECTION RIDERS:  None 3% Lifetime Compound Benefit Increase Rider 4% Lifetime Compound Benefit Increase Rider 5% Lifetime Compound Benefit Increase Rider Two Times Compound Benefit Increase Rider Simple Benefit Increase Rider  NONFORFEITURE BENEFIT RIDER: None Shortened Benefit Rider  RETURN OF PREMIUM OPTIONS: Return of Premium Upon Death Benefit Full Return of Premium Upon Death Benefit PREMIUM PAYMENT OPTIONS: Continuous Pay Ten-Year Premium Payment Rider (not available if over age 55)* Paid Up at Age 65 Rider (not available if over | ADDITIONAL BENEFIT RIDERS:    Waiver of Home and Community Care Elimination Period Rider (not available with 180 or 365-day Elimination Period)   Spousal Shared Care Rider (the two insureds' plans must be identical)*   Spousal Waiver of Premium Rider   Spousal Survivorship Rider  ADDITIONAL BENEFIT OPTIONS:   Home and Community Care Monthly Benefit   Calendar Day Elimination Period   Restoration of Benefits (not available with Lifetime Benefit Period or Spousal Shared Care Rider)* |  |  |  |  |
| Paid Up at Age 65 Rider (not available if over age 55)*  |   |  |  |  |  |
| *Not available with 100% Indemnity Benefit Option  |   |  |  |  |  |

| PREMIUM SUMMARY INFORMATION * C*  | to the form of the second |
|---|---------------------------|
|   |                           |
| Long Term Care Policy   | \$                        |
| Elimination Period Factor.  | x                         |
| Underwriting Rate Class Factor  | x                         |
| Indemnity Benefit Factor  | x                         |
| Inflation Protection Rider Factor   | x                         |
| Nonforfeiture Benefit Rider Factor  | x                         |
| Return of Premium Benefit Factor  | x                         |
| Waiver of Home and Community Care Elimination Period Rider Factor   | X                         |
| Home and Community Care Monthly Benefit Factor  | x                         |
| Calendar Day Elimination Period Factor  | x                         |
| Restoration of Benefits Factor.   | x                         |
| Spousal Shared Care Rider Factor:   | x                         |
| Spousal Waiver of Premium Rider Factor.   | x                         |
| Spousal Survivorship Rider Factor:  | x                         |
| Premium Payment Option Factor   | x                         |
| Subtotal  | =                         |
| Discount Factor   | x                         |
| TOTAL ANNUAL PREMIUM:   | \$                        |
|   |                           |
| PREMIUM PAYMENT MODE: (must elect one)  |                           |
| $[\Box \ Annual \ \Box \ Semi-Annual \ \Box \ Quarterly \ \Box \ Monthly/PAC \ \Box \ Monthly \ Credit \ Card]$ | x                         |
| TOTAL MODAL PREMIUM:  | \$                        |

## ADDITIONAL FEATURES

Medical Underwriting - Your insurability for the Contract will be determined by the answers given in your application and any other authorized medical information we obtain regarding your current state of health

Counseling and Assistance – The Virginia Insurance Counseling and Assistance Program is available at: Virginia Department for the Aging, 1600 Forest Avenue, Suite 102, Richmond, VA 23229, Aging Services Hotline: 800/552-3402

CONTACT THE STATE SENIOR HEALTH INSURANCE ASSISTANCE PROGRAM IF YOU HAVE GENERAL **OUESTIONS** REGARDING LONG TERM CARE INSURANCE. CONTACT THE INSURANCE COMPANY IF YOU HAVE **SPECIFIC** OUESTIONS REGARDING YOUR LONG TERM CARE INSURANCE CONTRACT.

[International Coverage Benefit Rider – If you require Qualified Long Term Care Services, which would otherwise be covered under the Contract while you are outside the 50 states of the United States, the District of Columbia, or Canada, in a designated country as defined in the Visa Waiver Program, we will pay actual expenses up to 70% of the Facility Care Daily Benefit or 70% of the Home and Community Care Daily Benefit Payment of this benefit is subject to the Eligibility for the Payment of Benefits section

Benefits paid accumulate toward the Maximum Lifetime Benefit and the International Coverage Maximum Lifetime Benefit. The International Coverage Maximum Lifetime Benefit is calculated as 70% of the Facility Care Daily Benefit elected on the application times 730 days.]

Coverage Enhancement Rider – Every five years, any of the following enhancement options are available under this Rider without underwriting at an additional premium. (1) Increase the Facility Care Daily Benefit to reflect the Seasonally Adjusted Consumer Price Index for Nursing Homes and Adult Day Care; (2) Decrease the Elimination period to the next available Elimination period, and (3) Increase the Benefit Period to the next available

Benefit Period. However, the Benefit Period may not be increased to the Lifetime Benefit Period If the Full Indemnity Benefit Rider is elected, only the first enhancement option will be available.

This Rider will not be issued if the Paid Up at Age 65 Rider or Ten-Year Premium Payment Rider is elected.

Paid Up at Age 65 Rider — For additional premium, this Rider will provide you with a paid-up Contract if you have paid the required premium each year until the first Policy Anniversary following your 65<sup>th</sup> birthday Premium paid includes premium waived under the Waiver of Premium Benefit provision.

Ten-Year Premium Payment Rider — For additional premium, this Rider will provide you with a paid-up Contract once you have paid the required premium for ten Policy Years Premium paid includes premium waived under the Waiver of Premium Benefit provision

Shortened Benefit Rider - For additional premium, this Rider provides a benefit when the Contract has been In Force and premiums have been paid for at least three full Policy Years and Lapses due to nonpayment of premiums. Under the Shortened Benefit Rider, coverage will continue during your lifetime, but benefits will be payable only until the total of benefits paid under the Contract, including benefits paid before the date the Contract Lapses, equals the greater of 30 times the Facility Care Daily Benefit in effect on the date of Lapse or the total of premiums paid under the Contract. Benefits payable under this Rider are subject to the same Contract provisions that would have been in effect had the Contract not Lapsed. However, no further increases will occur under any benefit increase Rider, attached to the policy, after the date the Contract Lapses

Contingent Benefit Upon Lapse Rider – This Rider is included in all Contracts that do not include the Shortened Benefit Rider. Each time premiums are increased above the level defined by the state as a "substantial premium increase," the following options are made available a reduction of Contract benefits provided by your current coverage so that

premiums are not increased, or a conversion of the Contract to paid-up status with a Shortened Benefit Period

If you elect a reduction in Contract benefits, benefits will be provided at the level that the current premium payable under the Contract will purchase

If you elect to convert the Contract to a paid-up status, the Maximum Lifetime Benefit becomes equal to the greater of the total premiums paid for the policy and any attached Riders or thirty times the Facility Care Daily Benefit in effect on the date of conversion Under this option, coverage will continue during your lifetime, but benefits will be payable only until the total of benefits paid under the policy and any attached Riders equals the new Maximum Lifetime Benefit. This option may be elected at any time within 120 days of a "substantial premium increase" If the Contract Lapses for nonpayment of premium during this 120-day period, this option will automatically be provided under the Contract.

Benefits payable under this Rider are subject to the same Contract provisions that would have been in effect had the Contract not been converted or Lapsed However, no further increases will occur under any benefit increase Rider, if attached to the policy

Waiver of Home and Community Care Elimination Period Rider — For additional premium, the Elimination Period will be waived while you are Chronically III and are receiving Home and Community Care In addition, each day that you receive Benefit Payments for Home and Community Care will count toward the Elimination Period

Full Indemnity Benefit Rider – For additional premium, this Rider provides an Indemnity Benefit in any month that you are Chronically III and have satisfied the Elimination Period. The Indemnity Benefit amount is shown on the Policy Schedule. This amount is calculated as the Facility Care Daily Benefit elected on the application multiplied by 30. The Indemnity Benefit is in lieu of reimbursement of the Facility Care Daily Benefit and Home and Community Care Daily Benefit for actual expenses incurred.

Household Discount Rider – This Rider provides a discount on the premium because you are living with someone who has, or is issued an, Allianz Life long term care insurance Contract that is still In Force. If someone with whom you are living is issued a Contract at a later date, we will provide the household discount once we are notified of such

Married Discount Rider - This Rider provides a discount on the premium because you are married. If you are no longer married, you must provide written notice to Cancel this Rider. If you become married after the Contract is issued, we will provide the married discount once we are notified of such

Spousal Discount Rider - This Rider provides a discount on the premium because both you and an Insured Spouse, with whom you are living and to whom you are married, were issued Contracts If you are no longer living with or married to the Insured Spouse, you must provide written notice to Cancel this Rider. If your spouse was already issued a Contract or is issued a Contract at a later date, we will provide the spousal discount once we are notified of such

Spousal Shared Care Rider - For additional premium, if you exhaust the Maximum Lifetime Benefit, you may access the Insured Spouse's benefits, upon our receipt of their signed consent, up to their maximum lifetime benefit, less the total of all claims paid[, less 365 times the facility care daily benefit].

If the Insured Spouse exhausts their maximum lifetime benefit, the Insured Spouse may access your benefits, upon our receipt of your signed consent, up to the Maximum Lifetime Benefit less the total of all claims paid[, less 365 times the facility care daily benefit]

Spousal Waiver of Premium Rider - For additional premium, if the Insured Spouse's premiums are being waived, this Rider will waive your premium as it comes due

We will continue to waive each premium that comes due according to the Mode of Payment in effect at the time you become eligible for this benefit, as long as the Insured Spouse's premiums

are being waived Once the Insured Spouse is no longer Chronically III or this Rider Terminates, you must pay each premium that comes due according to the Mode of Payment in effect

Spousal Survivorship Rider - For additional premium, this Rider provides for premiums to be paid up if

- the Contract is In Force for 10 Policy Years,
- the Insured Spouse's contract is in force for 10 policy years, and
- the Insured Spouse dies

Inflation Protection Riders - For additional premium, these Riders provide that on each Policy Anniversary, the benefits provided by the Contract will be increased.

The 3%, 4%, and 5% Lifetime Compound Benefit Increase Riders increase benefits as follows

- the Facility Care Daily Benefit and Home and Community Care Daily Benefit will be increased by 3%, 4%, or 5% of the amount in effect on the previous Policy Anniversary
- the Monthly Indemnity Benefit (if the Monthly Indemnity Benefit option is elected) will be increased by 3%, 4%, or 5% of the amount in effect on the previous Policy Anniversary
- the Indemnity Benefit (if the Full Indemnity Benefit Rider is elected) will be increased by 3%, 4%, or 5% of the amount in effect on the previous Policy Anniversary
- the remaining Maximum Lifetime Benefit will be increased by 3%, 4%, or 5%

The annual increases will occur even if benefits are being paid. If you Cancel this Rider, you will forfeit all increases provided above The Two Times Compound Benefit Increase Rider increases benefits as follows:

- the Facility Care Daily Benefit and Home and Community Care Daily Benefit will be increased by 5% of the amount in effect on the previous Policy Anniversary
- the Monthly Indemnity Benefit (if the Monthly Indemnity Benefit option is elected) will be increased by 5% of the amount in effect on the previous Policy Anniversary
- the Indemnity Benefit (if the Full Indemnity Benefit Rider is elected) will be increased by 5% of the amount in effect on the previous Policy Anniversary.
- The remaining Maximum Lifetime Benefit will be increased by 5%

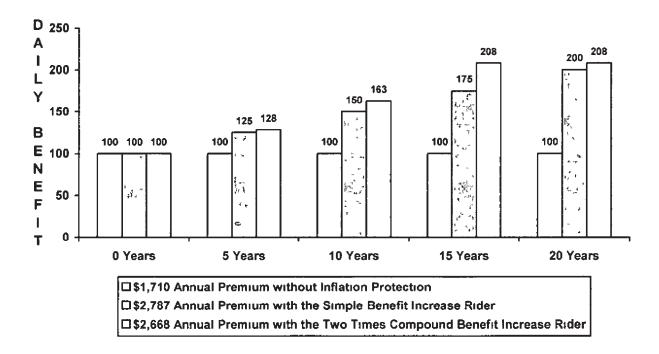
Annual increases will occur each year until the current benefit amount first exceeds two times the original benefit amount.

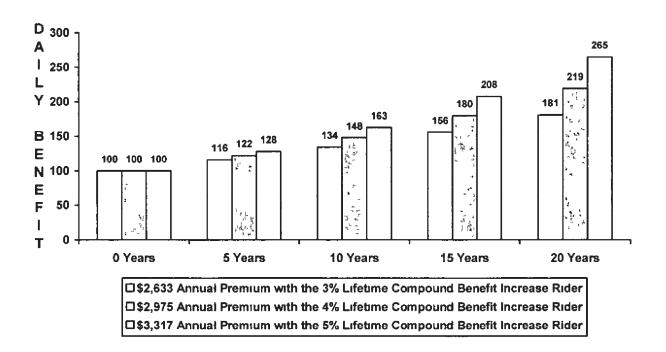
The annual increases will occur even if benefits are being paid. If you Cancel this Rider, you will forfeit all increases provided above

The Simple Benefit Increase Rider increases benefits as follows

- the Facility Care Daily Benefit and Home and Community Care Daily Benefit will be increased by 5% of the amount shown on the current Policy Schedule
- the Monthly Indemnity Benefit (if the Monthly Indemnity Benefit option is elected) will be increased by 5% of the amount shown on the current Policy Schedule.
- the Indemnity Benefit (if the Full Indemnity Benefit Rider is elected) will be increased by 5% of the amount shown on the current Policy Schedule
- the remaining Maximum Lifetime Benefit will also increase by the same proportion as the increase in the daily benefits.

The annual increases will occur even if benefits are being paid. If you Cancel this Rider, you will forfeit all increases provided above. The first graph compares the benefits and premiums between a policy with the Simple Benefit Increase Rider, the Two Times Compound Benefit Increase Rider, and a policy without either one. The second graph compares the benefits and premiums between a policy with the 3%, 4%, and 5% Lifetime Compound Benefit Increase Riders. For purposes of illustration, the sample shown is for a policy with an issue age of 65, a 90-day Elimination Period, a \$100 Facility Care Daily Benefit, a \$100 Home and Community Care Daily Benefit, a Lifetime Benefit Period, and a Preferred rating classification.





Allianz Life Insurance Company of North America [Home Office Minneapolis, MN] [5701 Golden Hills Drive Minneapolis, MN 55416-1297 800/729-8505]



# OUTLINE OF COVERAGE FOR LONG TERM CARE INSURANCE POLICY FORM 11-P-Q-VA

THE CONTRACT IS INTENDED TO QUALIFY FOR FAVORABLE FEDERAL TAX TREATMENT As such, it must meet certain federal standards, in addition to all applicable standards in the state in which the Contract was issued or issued for delivery. If you have any questions regarding the tax qualifications of the Contract, you should direct such questions to the appropriate federal agency, or you should contact your tax

advisor.

<u>CAUTION</u>: The Contract may not apply when you have a claim! Please read! The issuance of the long term care insurance Contract is based upon your responses to the questions on your application. A copy of your application will be attached to the policy. If your responses are incorrect or untrue, we have the right to deny benefits or rescind the Contract, subject to the policy's Incontestability provision. The best time to clear up any questions is now, before a claim arises! If, for any reason, any of your responses are incorrect, write or call us at the address or telephone number shown above.

**NOTICE TO BUYER:** The Contract may not cover all of the costs associated with long term care incurred by you during the period of coverage. You are advised to carefully review all limitations

The Contract is an individual Contract of insurance

Purpose of Outline of Coverage - This outline of coverage provides a very brief description of the important features of the Contract You should compare this outline of coverage to outlines of coverage for other contracts available to you. This is not an insurance contract, but only a summary of coverage. Only the individual Contract contains governing contractual provisions. This means that the Contract sets forth in detail the rights and obligations of both you and the insurance company. Therefore, if you purchase this coverage, or any other coverage, it is important that you READ THE CONTRACT CAREFULLY!

Terms Under Which the Contract May Be Returned and Premium Refunded - If you are not satisfied with the Contract, you have 30 days to return it to us or the agent from whom it was purchased for a full refund of any premium you have paid. If the Contract is Cancelled by you or Terminated by us after 30 days, we will return to

you any unearned premium for the Contract within 30 days of the effective date of such Cancellation or Termination. The effective date of the Cancellation is the date we receive your written Cancellation request or a later date specified in your written Cancellation request, whichever is later. Upon your death, we will return any unearned premium for the Contract to your Beneficiary, or to your estate if no Beneficiary has been designated, within 30 days of receipt of proof of your death.

This Is Not Medicare Supplement Coverage - If you are eligible for Medicare, review the Guide to Health Insurance for People with Medicare available from us Neither Allianz Life Insurance Company of North America nor its agents represent Medicare, the federal government, or any state government

Long Term Care Coverage - Contracts of this category are designed to provide coverage for one or more necessary or medically necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services, provided in a setting, other than an acute care unit of a Hospital, such as in a Nursing Facility, in the community, or in the Home The Contract provides coverage in the form of an expense incurred benefit for covered long term care expenses, subject to Contract provisions, limitations, exclusions, and the Elimination Period

# BENEFITS PROVIDED BY THE POLICY

Covered Care - The Contract provides benefits for Qualified Long Term Care Services. This includes Facility Care provided in a Nursing Facility or an Assisted Living Facility and Home and Community Care, which provides benefits for Adult Day Care Services, Home Health Care Services, and Hospice Care Services Benefits are also provided for Respite Care, Bed Reservation, Caregiver Training, an Alternative Plan of Care, and a Care Coordination Advisor

Elimination Period - This is the period of time that must be satisfied before benefits become payable under the Contract and is the number of days in which you must be Chronically III, have received care in either a Nursing Facility or an Assisted Living Facility, or have received Home and Community Care, and have not received Benefit Payments under the Contract You may choose an Elimination Period of 90, 180, or 365 days. Once you have satisfied the Elimination Period, no future Elimination Period is required. Days may be accumulated under separate claims in order to satisfy the Elimination Period

Maximum Lifetime Benefit - This is the total amount we will pay in your lifetime for all benefits (other than the Waiver of Premium Benefit) provided by the Contract The Maximum Lifetime Benefit is shown on the Policy Schedule. The Maximum Lifetime Benefit is calculated as the Facility Care Daily Benefit times the Benefit Period (in years) times 365. The Facility Care Daily Benefit and Benefit Period are shown on the Policy Schedule. All benefits paid under the Contract

accumulate toward the Maximum Lifetime Benefit, unless otherwise stated However, for Home and Community Care Benefits, only an amount up to the Facility Care Daily Benefit will accumulate toward the Maximum Lifetime Benefit

Facility Care Benefit - If you are confined in a Nursing Facility or Assisted Living Facility, we will pay up to the Facility Care Daily Benefit elected on the application for each day of care received in the Nursing Facility or Assisted Living Facility Payment of this benefit is subject to the Eligibility for the Payment of Benefits section. The Facility Care Daily Benefit and Maximum Lifetime Benefit are shown on the Policy Schedule. The Facility Care Daily Benefit available ranges from \$50 to \$200 per day in increments of \$10

Home and Community Care Benefit - We will pay up to the Home and Community Care Daily Benefit elected on the application for covered Home Health Care Services, Adult Day Care Services, and Hospice Care Services, as long as you are not receiving Facility Care Benefits, and are not confined in a Hospital. Payment of this benefit is subject to the Eligibility for the Payment of Benefits section. The Home and Community Care Daily Benefit and Maximum Lifetime Benefit are shown on the Policy Schedule. The Home and Community Care Daily Benefit available is 70%, 100%, or 130% of the elected Facility Care Daily Benefit

The purpose of these services must be primarily to give needed assistance to you as a result of your being Chronically Ill

Respite Care Benefit - If you are Chronically Ill and are normally cared for by an informal caregiver, we will pay the actual daily charges you incur for each day of care received in a Nursing Facility or an Assisted Living Facility, up to the Respite Facility Care Daily Benefit, or the actual expenses you incur for each day you receive Home and Community Care, up to the Respite Home and Community Care Daily Benefit

The purpose of this benefit is to temporarily relieve an informal caregiver who is providing care to you in your Home An informal caregiver is any person who is not paid to care for you. The Elimination Period does not apply to this benefit and days of respite care will not be used to satisfy the Elimination Period. The Respite Care Benefit is payable for a maximum of 30 days per calendar year

Bed Reservation Benefit - If you are receiving Benefit Payments and are confined in a Nursing Facility or Assisted Living Facility, we will continue to pay the Facility Care Daily Benefit as if you were still confined in the Nursing Facility or Assisted Living Facility if you.

- become hospitalized or temporarily leave the Nursing Facility or Assisted Living Facility, and
- are billed by the Nursing Facility or Assisted Living Facility to reserve your accommodations

This benefit is subject to the Eligibility for Payment of Benefits section. However, if the Elimination Period has not been satisfied, we will count each day that you are billed by the Nursing Facility or the Assisted Living Facility to reserve your accommodations toward the Elimination Period. This benefit is available for a maximum of 60 days per calendar year.

Caregiver Training Benefit - If you are Chronically Ill, we will pay up to the Maximum Caregiver Training Benefit (five times the Facility Care Daily Benefit elected on the application) shown on the Policy Schedule for expenses incurred for an informal caregiver to receive training to take care of you in your Home. An informal caregiver is any person who is not paid to care for you

The Elimination Period does not apply to this benefit and days of caregiver training will not be used to satisfy the Elimination Period

Alternative Plan of Care Benefit - An Alternative Plan of Care Benefit is available, if agreed to by you, your Licensed Health Care Practitioner, and us

The Alternative Plan of Care Benefit provides benefits for services which may include equipment purchases or rentals, permanent or temporary modifications to your Home (such as ramps or rails), or care services not normally covered under other benefit provisions We reserve the right to make the final decision on any request for the Alternative Plan of Care Benefit

If the Elimination Period has not been satisfied, the remaining days needed to satisfy the Elimination Period will be multiplied by the Facility Care Daily Benefit and subtracted from the amount payable for the Alternative Plan of Care Benefit We will count each day that has been multiplied by the Facility Care Daily Benefit toward the Elimination Period

Care Coordination Advisor Benefit - If you choose, we will provide you with access to care management professionals who will work with you, your family member(s), and your Licensed Health Care Practitioner to determine and monitor your care, including assessment of your situation and investigation of available care resources. This may include assistance developing and monitoring a Plan of Care with you, your family member(s), and your Licensed Health Care Practitioner. service is not required for you to obtain Benefit Payments under the Contract This service will not accumulate toward the Maximum Lifetime Benefit The Elimination Period does not apply to this benefit and days of care coordination will not be used to satisfy the Elimination Period

# ADDITIONAL BENEFIT OPTIONS

Calendar Day Elimination Period — For additional premium, if you are Chronically III, each calendar day beginning with the first day that you receive Qualified Long Term Care Services until you are no longer Chronically III will count toward the Elimination Period

Home and Community Care Monthly Benefit - For additional premium, if you are receiving Benefit Payments under the Home and Community Care Benefit, we will pay up to the number of days in the month times the Home and Community Care Daily Benefit on a monthly basis for the actual expenses incurred during the month

Return of Premium Upon Death Benefit - For additional premium, this benefit pays a Return of Premium Upon Death Benefit to your Beneficiary if the Contract Terminates because of your death. The Return of Premium Upon Death Benefit is equal to

the total of premiums paid for the Contract, excluding any premiums waived, reduced by the total of benefits paid If the total of benefits paid exceeds the total of premiums paid, excluding any premiums waived, this Return of Premium Upon Death Benefit will be zero

Full Return of Premium Upon Death Benefit - For additional premium, this benefit pays a Full Return of Premium Upon Death Benefit to your Beneficiary if the Contract Terminates because of your death. The Return of Premium Upon Death Benefit is equal to the total of premiums paid for the Contract, excluding any premiums waived

Restoration of Benefits - For additional premium, if benefits have been paid and deducted from the Maximum Lifetime Benefit, the Maximum Lifetime Benefit will be restored, plus increases per your benefit increase rider, if any, if for a period of 180 consecutive days

- the Contract is In Force,
- you are not receiving Benefit Payments; and
- you are no longer Chronically Ill

The Maximum Lifetime Benefit may be restored an unlimited number of times

### ELIGIBILITY FOR THE PAYMENT OF BENEFITS

Eligibility for Benefits - To be eligible for benefits under the Contract, you must be Chronically III. The Chronic Illness must have begun after the Effective Date.

Limitations or Conditions on Eligibility for Benefits – To receive Benefit Payments, you must meet the Eligibility for Benefits provision above, in addition to the following:

- the Contract must be In Force,
- you must have satisfied the Elimination Period, unless otherwise stated,
- you must be receiving Qualified Long Term Care Services pursuant to a Plan of Care prescribed by a Licensed Health Care Practitioner, and
- you must provide proof of such Chronic Illness as shown in the Claim Procedures section of the policy

Benefit Payments - We will pay up to the Facility Care Daily Benefit or Home and Community Care Daily Benefit for actual expenses incurred The Facility Care Daily Benefit and Home and Community Care Daily Benefit are shown on the Policy Schedule

#### IMPORTANT DEFINITIONS

Activities of Daily Living (ADLs) are the following

- Bathing Washing yourself by sponge bath, or in either a tub or shower, including the task of getting into or out of the tub or shower
- Continence The ability to maintain control of bowel and bladder function, or, when unable to maintain control of bowel or bladder function, the ability to perform associated personal hygiene, including caring for a catheter or colostomy bag
- Dressing Putting on and taking off all items of clothing and any necessary braces, fasteners, or artificial limbs
- Eating. Feeding yourself by getting food into your body from a receptacle (such as a plate, cup, or table), or by feeding tube or intravenously
- Toileting Getting to and from the toilet, getting on and off the toilet, and performing associated personal hygiene.
- Transferring Moving into or out of a bed, chair, or wheelchair

Chronically Ill means you have been certified, within the previous 12 months, but after the Effective Date, by a Licensed Health Care Practitioner as

- being unable to perform without Substantial Assistance at least 2 ADLs and Substantial Assistance is expected to be required for a period of at least 90 continuous days, or
- requiring Substantial Supervision to protect yourself from threats to health and safety due to a Severe Cognitive Impairment

Class means a population segment with similar characteristics such as issue age, underwriting and rating classification, elected benefit options, or Elimination Period.

Licensed Health Care Practitioner is a person who is a Physician (as defined in section 1861(r)(1) of the Social Security Act), a Registered Professional Nurse, a Licensed Social Worker, or other individual who meets such requirements as prescribed by the Secretary of the Treasury

#### Licensed Social Worker is a person who is

- licensed by the state, if required; and
- acting within the scope of his or her professional responsibilities when providing an assessment indicating that you are Chronically

We will not recognize you or an Immediate Family Member as a Licensed Social Worker for claims that you make to us under the Contract.

#### Physician is a person who:

- is licensed to practice medicine and surgery and prescribe and administer drugs,
- is legally qualified as a medical practitioner and required to be recognized as a Physician, under the Contract for insurance purposes, according to applicable state insurance laws; or
- meets the requirements of section 1861(r)(1) of the Social Security Act

We will consider a person to be a Physician only when the person is performing tasks that are within the limits of the person's medical license, and such tasks are appropriate to the care of your Chronic Illness. We will not recognize you or an Immediate Family Member as a Physician for claims that you make to us under the Contract.

Qualified Long Term Care Services are care provided to you in a Nursing Facility or an Assisted Living Facility under the Facility Care Benefit, and services provided to you through Home Health Care Services, Adult Day Care Services, or Hospice Care Services under the Home and Community Care Benefit

Registered Professional Nurse (RN) is a duly registered nurse acting within the scope of his or her license at the time the treatment or service is performed

We will not recognize you or an Immediate Family Member as a Registered Professional Nurse for claims that you make to us under the Contract

Severe Cognitive Impairment is the deterioration or loss of your intellectual capacity which is confirmed by a Physician and measured by clinical evidence and standardized tests that reliably measure your impairment in:

- · short or long term memory,
- orientation as to people (such as who you are), places (such as where you are), or time (such as day, date and year),
- judgement as it relates to safety awareness, which requires supervision or verbal cueing by another person to protect yourself and others; or
- deductive or abstract reasoning.

Coverage is provided for Alzheimer's Disease and forms of senility and irreversible dementia that result in a Severe Cognitive Impairment

Substantial Assistance means stand-by or handson assistance without which you would not be able to safely and completely perform the ADL. Standby assistance means the presence of another person within arm's reach of you that is necessary to prevent, by physical intervention, injury to you while you are performing the ADL. Hands-on assistance means the direct physical assistance of another person

Substantial Supervision means requiring continual supervision by another person to protect you or others from threats to health or safety as a result of a Severe Cognitive Impairment Such supervision may include cueing by verbal prompting, gestures, or other similar demonstrations

#### LIMITATIONS AND EXCLUSIONS

Limitations and Exclusions - No benefits will be paid for any confinement, care, treatment, or service(s):

- · for alcoholism or drug addiction
- that result from participating in a felony, in a riot, or an insurrection
- that result from an act of war, declared or undeclared, or during service in the armed forces.

- that result from your intentionally self-inflicted injury
- provided outside the 50 states of the United States, the District of Columbia, or Canada [, except as described in the International Coverage Benefit Rider]
- provided to you by an Immediate Family Member or someone living in your Home.
- for which you have no financial liability or that are provided at no charge in the absence of insurance.
- that are reimbursable under Medicare or would be so reimbursable but for the application of a deductible or coinsurance amount

## THE CONTRACT MAY NOT COVER ALL EXPENSES ASSOCIATED WITH YOUR LONG TERM CARE NEEDS.

Relationship of Cost of Care and Benefits Because the costs of long term care services will
likely increase over time, you should consider
whether and how the benefits of this plan may be
adjusted The benefit levels of the basic Contract
will not increase over time. For additional
premium, you may purchase one of the optional
Inflation Protection Riders described later in this
outline

Terms Under Which the Contract May Be Continued In Force or Discontinued - RENEWABILITY THE CONTRACT IS GUARANTEED RENEWABLE This means you have the right, subject to the terms of the Contract, to continue the Contract as long as you pay your premiums on time Allianz Life Insurance Company of North America cannot change any of the terms of the Contract on its own, except that, in the future, IT MAY INCREASE THE PREMIUM YOU PAY

Waiver of Premium Benefit - If you are Chronically Ill and have satisfied the Elimination Period, we will waive your premium as it comes due, subject to the Eligibility for the Payment of Benefits section. We will continue to waive each premium that comes due according to the Mode of Payment in effect at the time you become eligible for this benefit, as long as you continue to be Chronically Ill.

Premiums will not be waived if you are only receiving benefits under the Respite Care Benefit, Caregiver Training Benefit, Alternative Plan of Care Benefit, or Care Coordination Advisor Benefit

Grace Period - Except for the first premium, you will have 65 days after each due date to pay the premium due. If your premium is not paid by the 30th day of the Grace Period, we will notify you and an individual designated by you to receive notice of possible Lapse due to non-payment of premium. Notice is considered to have been given as of 5 days after the date of mailing. You have an additional 30 days beyond the date this notice was given to pay your premium. The Contract remains In Force during the Grace Period.

Terms Under Which the Company May Change Premiums - Premium rates are guaranteed not to change for the first five Policy Years. After the fifth Policy Year, the Company may change the premium rates for the Contract, subject to the approval of the state insurance department, only if we base the premium change, by Class for everyone in your state, on the experience of this form. Any premium change will occur on the Policy Anniversary. We will notify you in writing at least 60 days before your premium changes.

Alzheimer's Disease - Subject to any applicable Elimination Period and Limitations or Exclusions described above, the Contract provides coverage for Alzheimer's Disease and forms of senility and irreversible dementia that result in a Severe Cognitive Impairment.

| PREMIUM WORKSHEET - LONG TERM CARE INSURANCE          |  |  |  |  |
|---|--|--|--|--|
| ELIMINATION PERIOD: [□ 90 Days □ 180 Days □ 365 Days] |  |  |  |  |
| MAXIMUM FACILITY CARE DAILY BENEFIT APPLIED FOR:      |  |  |  |  |
| (choice of [\$50 - \$200 in increments of \$10]) \$   |  |  |  |  |
| MAXIMUM HOME AND COMMUNITY CARE DA                    | AILY BENEFIT APPLIED FOR:                      |  |  |  |
| (choose percentage of Maximum Facility Care Daily Be  | nefit) □ 70% □ 100% □ 130%                     |  |  |  |
| BENEFIT PERIOD APPLIED FOR: [☐ 2 Years ☐ 3            | Years □ 4 Years □ 5 Years]                     |  |  |  |
| OPTIONAL  | ·  |  |  |  |
| INFLATION PROTECTION RIDERS:                          | ADDITIONAL BENEFIT RIDERS:                     |  |  |  |
| □ None  | ☐ Spousal Shared Care Rider (the two insureds' |  |  |  |
| ☐ 3% Lifetime Compound Benefit Increase Rider         | plans must be identical)                       |  |  |  |
| ☐ 4% Lifetime Compound Benefit Increase Rider         | ☐ Spousal Waiver of Premium Rider              |  |  |  |
| ☐ 5% Lifetime Compound Benefit Increase Rider         | ☐ Spousal Survivorship Rider                   |  |  |  |
| ☐ Two Times Compound Benefit Increase Rider           | ANNIPIONAL DEMERST OPPIONS.                    |  |  |  |
| ☐ Simple Benefit Increase Rider                       | ADDITIONAL BENEFIT OPTIONS:                    |  |  |  |
| NAMEAN PROPERTIES ASSESSED BARROWS                    | ☐ Home and Community Care Monthly Benefit      |  |  |  |
| NONFORFEITURE BENEFIT RIDER:                          | © Calendar Day Elimination Period              |  |  |  |
| □ None  | ☐ Restoration of Benefits (not available with  |  |  |  |
| ☐ Shortened Benefit Rider                             | Spousal Shared Care Rider)                     |  |  |  |
| RETURN OF PREMIUM OPTIONS:                            |  |  |  |  |
| ☐ Return of Premium Upon Death Benefit                |  |  |  |  |
| ☐ Full Return of Premium Upon Death Benefit           |  |  |  |  |
|   |  |  |  |  |
| PREMIUM SUMMA   | RY INFORMATION                                 |  |  |  |
| Long Term Care Policy                                 | \$   |  |  |  |
| Elimination Period Factor                             | <u>x</u>                                       |  |  |  |
| Inflation Protection Rider Factor                     | x  |  |  |  |
| Nonforfeiture Benefit Rider Factor:                   | X  |  |  |  |
| Return of Premium Benefit Factor                      | X  |  |  |  |
| Home and Community Care Monthly Benefit Factor:       | X  |  |  |  |
| Calendar Day Elimination Period Factor                | x  |  |  |  |
| Restoration of Benefits Factor                        | x  |  |  |  |
| Spousal Shared Care Rider Factor                      | x  |  |  |  |
| Spousal Waiver of Premium Rider Factor                | X  |  |  |  |
| Spousal Survivorship Rider Factor.                    | X  |  |  |  |
| Subtotal  | =  |  |  |  |
| Discount Factor                                       | X  |  |  |  |
| TOTAL   | ANNUAL PREMIUM: \$                             |  |  |  |
| PREMIUM PAYMENT MODE: (must elect one)                |  |  |  |  |
| [ Annual Semi-Annual Quarterly Monthly/Pa             | AC  Monthly Credit Card x                      |  |  |  |
|   | L MODAL PREMIUM: \$                            |  |  |  |
| IOIA  | unopalitenton.                                 |  |  |  |

#### ADDITIONAL FEATURES

Medical Underwriting - Your insurability for the Contract will be determined by the answers given in your application and any other authorized medical information we obtain regarding your current state of health.

Counseling and Assistance – The Virginia Insurance Counseling and Assistance Program is available at: Virginia Department for the Aging, 1600 Forest Avenue, Suite 102, Richmond, VA 23229, Aging Services Hotline 800/552-3402

CONTACT THE STATE SENIOR HEALTH INSURANCE ASSISTANCE PROGRAM IF YOU HAVE GENERAL **OUESTIONS** REGARDING LONG TERM CARE INSURANCE. CONTACT THE INSURANCE COMPANY IF YOU HAVE SPECIFIC **OUESTIONS REGARDING YOUR LONG** TERM CARE INSURANCE CONTRACT.

[International Coverage Benefit Rider – If you require Qualified Long Term Care Services, which would otherwise be covered under the Contract while you are outside the 50 states of the United States, the District of Columbia, or Canada, in a designated country as defined in the Visa Waiver Program, we will pay actual expenses up to 70% of the Facility Care Daily Benefit or 70% of the Home and Community Care Daily Benefit Payment of this benefit is subject to the Eligibility for the Payment of Benefits section.

Benefits paid accumulate toward the Maximum Lifetime Benefit and the International Coverage Maximum Lifetime Benefit. The International Coverage Maximum Lifetime Benefit is calculated as 70% of the Facility Care Daily Benefit elected on the application times 730 days 1

Coverage Enhancement Rider – Every five years, the following enhancement option is available under this Rider without underwriting at an additional premium Increase the Facility Care Daily Benefit to reflect the Seasonally Adjusted Consumer Price Index for Nursing Homes and Adult Day Care

Shortened Benefit Rider - For additional premium, this Rider provides a benefit when the Contract has been In Force and premiums have been paid for at least three full Policy Years and Lapses due to nonpayment of premiums Under the Shortened Benefit Rider, coverage will continue during your lifetime, but benefits will be payable only until the total of benefits paid under the Contract, including benefits paid before the date the Contract Lapses, equals the greater of 30 times the Facility Care Daily Benefit in effect on the date of Lapse or the total of premiums paid under the Contract. Benefits payable under this Rider are subject to the same Contract provisions that would have been in effect had the Contract not Lapsed However, no further increases will occur under any benefit increase Rider, attached to the policy, after the date the Contract Lapses

Contingent Benefit Upon Lapse Rider – This Rider is included in all Contracts that do not include the Shortened Benefit Rider Each time premiums are increased above the level defined by the state as a "substantial premium increase," the following options are made available a reduction of Contract benefits provided by your current coverage so that premiums are not increased; or a conversion of the Contract to paid-up status with a Shortened Benefit Period

If you elect a reduction in Contract benefits, benefits will be provided at the level that the current premium payable under the Contract will purchase

If you elect to convert the Contract to a paid-up status, the Maximum Lifetime Benefit becomes equal to the greater of the total premiums paid for the policy and any attached Riders or thirty times the Facility Care Daily Benefit in effect on the date of conversion. Under this option, coverage will continue during your lifetime, but benefits will be payable only until the total of benefits paid under the policy and any attached Riders equals the new Maximum Lifetime Benefit. This option may be elected at any time within 120 days of a "substantial premium increase". If the Contract Lapses for nonpayment of premium during this 120-day period, this option will automatically be provided under the Contract.

Benefits payable under this Rider are subject to the same Contract provisions that would have been in effect had the Contract not been converted or Lapsed. However, no further increases will occur under any benefit increase Rider, if attached to the policy

Household Discount Rider – This Rider provides a discount on the premium because you are living with someone who has, or is issued an, Allianz Life long term care insurance Contract that is still In Force If someone with whom you are living is issued a Contract at a later date, we will provide the household discount once we are notified of such.

Married Discount Rider - This Rider provides a discount on the premium because you are married If you are no longer married, you must provide written notice to Cancel this Rider If you become married after the Contract is issued, we will provide the married discount once we are notified of such

Spousal Discount Rider - This Rider provides a discount on the premium because both you and an Insured Spouse, with whom you are living and to whom you are married, were issued Contracts If you are no longer living with or married to the Insured Spouse, you must provide written notice to Cancel this Rider If your spouse was already issued a Contract or is issued a Contract at a later date, we will provide the spousal discount once we are notified of such.

Spousal Shared Care Rider - For additional premium, if you exhaust the Maximum Lifetime Benefit, you may access the Insured Spouse's benefits, upon our receipt of their signed consent, up to their maximum lifetime benefit, less the total of all claims paid[, less 365 times the facility care daily benefit].

If the Insured Spouse exhausts their maximum lifetime benefit, the Insured Spouse may access your benefits, upon our receipt of your signed consent, up to the Maximum Lifetime Benefit less the total of all claims paid[, less 365 times the facility care daily benefit]

Spousal Waiver of Premium Rider - For additional premium, if the Insured Spouse's premiums are being waived, this Rider will waive your premium as it comes due

We will continue to waive each premium that comes due according to the Mode of Payment in effect at the time you become eligible for this benefit, as long as the Insured Spouse's premiums are being waived. Once the Insured Spouse is no longer Chronically III or this Rider Terminates, you must pay each premium that comes due according to the Mode of Payment in effect.

Spousal Survivorship Rider - For additional premium, this Rider provides for premiums to be paid up if

- the Contract is In Force for 10 Policy Years,
- the Insured Spouse's contract is in force for 10 policy years; and
- the Insured Spouse dies

Inflation Protection Riders - For additional premium, these Riders provide that on each Policy Anniversary, the benefits provided by the Contract will be increased.

The 3%, 4%, and 5% Lifetime Compound Benefit Increase Riders increase benefits as follows

- the Facility Care Daily Benefit and Home and Community Care Daily Benefit will be increased by 3%, 4%, or 5% of the amount in effect on the previous Policy Anniversary
- the remaining Maximum Lifetime Benefit will be increased by 3%, 4%, or 5%

The annual increases will occur even if benefits are being paid. If you Cancel this Rider, you will forfeit all increases provided above.

## The Two Times Compound Benefit Increase Rider increases benefits as follows

- the Facility Care Daily Benefit and Home and Community Care Daily Benefit will be increased by 5% of the amount in effect on the previous Policy Anniversary
- The remaining Maximum Lifetime Benefit will be increased by 5%

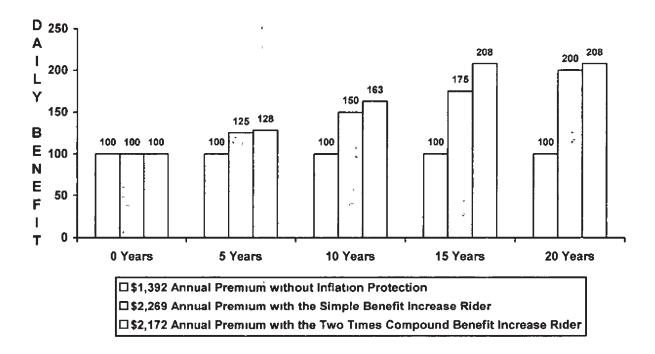
Annual increases will occur each year until the current benefit amount first exceeds two times the original benefit amount

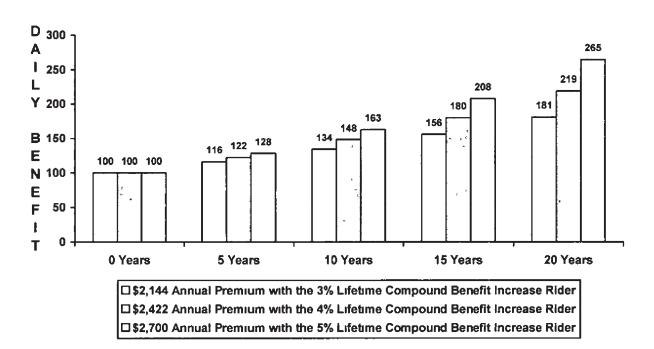
The annual increases will occur even if benefits are being paid. If you Cancel this Rider, you will forfeit all increases provided above

The Simple Benefit Increase Rider increases benefits as follows:

- the Facility Care Daily Benefit and Home and Community Care Daily Benefit will be increased by 5% of the amount shown on the current Policy Schedule.
- the remaining Maximum Lifetime Benefit will also increase by the same proportion as the increase in the daily benefits

The annual increases will occur even if benefits are being paid. If you Cancel this Rider, you will forfeit all increases provided above The first graph compares the benefits and premiums between a policy with the Simple Benefit Increase Rider, the Two Times Compound Benefit Increase Rider, and a policy without either one. The second graph compares the benefits and premiums between a policy with the 3%, 4%, and 5% Lifetime Compound Benefit Increase Riders. For purposes of illustration, the sample shown is for a policy with an issue age of 65, a 90-day Elimination Period, a \$100 Facility Care Daily Benefit, a \$100 Home and Community Care Daily Benefit, a 5-year Benefit Period, and a Standard rating classification





Allianz Life Insurance Company of North America [Home Office Minneapolis, MN] [5701 Golden Hills Drive Minneapolis, MN 55416-1297 800/729-8505]



#### OUTLINE OF COVERAGE FOR LONG TERM CARE INSURANCE POLICY FORM 11-P-Q-VA

#### THE CONTRACT IS INTENDED TO QUALIFY FOR FAVORABLE FEDERAL TAX TREATMENT

As such, it must meet certain federal standards, in addition to all applicable standards in the state in which the Contract was issued or issued for delivery. If you have any questions regarding the tax qualifications of the Contract, you should direct such questions to the appropriate federal agency, or you should contact your tax advisor.

<u>CAUTION</u>: The Contract may not apply when you have a claim! Please read! The issuance of the long term care insurance Contract is based upon your responses to the questions on your application. A copy of your application will be attached to the policy. If your responses are incorrect or untrue, we have the right to deny benefits or rescind the Contract, subject to the policy's Incontestability provision. The best time to clear up any questions is now, before a claim arises! If, for any reason, any of your responses are incorrect, write or call us at the address or telephone number shown above.

**NOTICE TO BUYER:** The Contract may not cover all of the costs associated with long term care incurred by you during the period of coverage. You are advised to carefully review all limitations.

The Contract is an individual Contract of insurance

Purpose of Outline of Coverage - This outline of coverage provides a very brief description of the important features of the Contract You should compare this outline of coverage to outlines of coverage for other contracts available to you. This is not an insurance contract, but only a summary of coverage Only the individual Contract contains governing contractual provisions. This means that the Contract sets forth in detail the rights and obligations of both you and the insurance company. Therefore, if you purchase this coverage, or any other coverage, it is important that you READ THE CONTRACT CAREFULLY!

Terms Under Which the Contract May Be Returned and Premium Refunded - If you are not satisfied with the Contract, you have 30 days to return it to us or the agent from whom it was purchased for a full refund of any premium you have paid If the Contract is Cancelled by you or Terminated by us after 30 days, we will return to

you any unearned premium for the Contract within 30 days of the effective date of such Cancellation or Termination. The effective date of the Cancellation is the date we receive your written Cancellation request or a later date specified in your written Cancellation request, whichever is later. Upon your death, we will return any unearned premium for the Contract to your Beneficiary, or to your estate if no Beneficiary has been designated, within 30 days of receipt of proof of your death.

This Is Not Medicare Supplement Coverage - If you are eligible for Medicare, review the Guide to Health Insurance for People with Medicare available from us. Neither Allianz Life Insurance Company of North America nor its agents represent Medicare, the federal government, or any state government.

Long Term Care Coverage - Contracts of this category are designed to provide coverage for one or more necessary or medically necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services, provided in a setting, other than an acute care unit of a Hospital, such as in a Nursing Facility, in the community, or in the Home The Contract provides coverage in the form of an expense incurred benefit for covered long term care expenses, subject to Contract provisions, limitations, exclusions, and the Elimination Period

#### BENEFITS PROVIDED BY THE POLICY

Covered Care - The Contract provides benefits for Qualified Long Term Care Services This includes Facility Care provided in a Nursing Facility or an Assisted Living Facility and Home and Community Care, which provides benefits for Adult Day Care Services, Home Health Care Services, and Hospice Care Services Benefits are also provided for Respite Care, Bed Reservation, Caregiver Training, an Alternative Plan of Care, and a Care Coordination Advisor

Elimination Period - This is the period of time that must be satisfied before benefits become payable under the Contract. It is the number of calendar days in which you are Chronically Ill and have not received Benefit Payments under the Contract. The Elimination Period is shown on the Policy Schedule Each calendar day beginning with the first day that you receive Qualified Long Term Care Services until you are no longer Chronically Ill counts toward the Elimination Period Once you have satisfied the Elimination Period, no future Elimination Period is required Days may be accumulated under separate claims in order to satisfy the Elimination Period

Maximum Lifetime Benefit - This is the total amount we will pay in your lifetime for all benefits (other than the Waiver of Premium Benefit) provided by the Contract The Maximum Lifetime Benefit is shown on the Policy Schedule The Maximum Lifetime Benefit is calculated as the Facility Care Daily Benefit times the Benefit Period (in years) times 365 The Facility Care Daily Benefit and Benefit Period are shown on the Policy

Schedule. All benefits paid under the Contract accumulate toward the Maximum Lifetime Benefit, unless otherwise stated However, for Home and Community Care Benefits, only an amount up to the Facility Care Daily Benefit will accumulate toward the Maximum Lifetime Benefit

Facility Care Benefit - If you are confined in a Nursing Facility or Assisted Living Facility, we will pay up to the Facility Care Daily Benefit elected on the application for each day of care received in the Nursing Facility or Assisted Living Facility Payment of this benefit is subject to the Eligibility for the Payment of Benefits section. The Facility Care Daily Benefit and Maximum Lifetime Benefit are shown on the Policy Schedule. The Facility Care Daily Benefit available ranges from \$50 to \$500 per day in increments of \$10.

Home and Community Care Benefit - We will pay up to the Home and Community Care Daily Benefit elected on the application for covered Home Health Care Services, Adult Day Care Services, and Hospice Care Services, as long as you are not receiving Facility Care Benefits, and are not confined in a Hospital. Payment of this benefit is subject to the Eligibility for the Payment of Benefits section. The Home and Community Care Daily Benefit and Maximum Lifetime Benefit are shown on the Policy Schedule The Home and Community Care Daily Benefit available is 70%, 100%, or 130% of the elected Facility Care Daily Benefit.

The purpose of these services must be primarily to give needed assistance to you as a result of your being Chronically Ill

Respite Care Benefit - If you are Chronically Ill and are normally cared for by an informal caregiver, we will pay the actual daily charges you incur for each day of care received in a Nursing Facility or an Assisted Living Facility, up to the Respite Facility Care Daily Benefit, or the actual expenses you incur for each day you receive Home and Community Care, up to the Respite Home and Community Care Daily Benefit

The purpose of this benefit is to temporarily relieve an informal caregiver who is providing care to you in your Home. An informal caregiver is any person who is not paid to care for you The Elimination Period does not apply to this benefit and days of respite care will not be used to satisfy the Elimination Period. The Respite Care Benefit is payable for a maximum of 30 days per calendar year.

Bed Reservation Benefit - If you are receiving Benefit Payments and are confined in a Nursing Facility or Assisted Living Facility, we will continue to pay the Facility Care Daily Benefit and Monthly Indemnity Benefit (if the Monthly Indemnity Benefit option is elected) as if you were still confined in the Nursing Facility or Assisted Living Facility if you.

- become hospitalized or temporarily leave the Nursing Facility or Assisted Living Facility; and
- are billed by the Nursing Facility or Assisted Living Facility to reserve your accommodations

This benefit is subject to the Eligibility for Payment of Benefits section. However, if the Elimination Period has not been satisfied, we will count each day that you are billed by the Nursing Facility or the Assisted Living Facility to reserve your accommodations toward the Elimination Period. This benefit is available for a maximum of 60 days per calendar year.

Caregiver Training Benefit - If you are Chronically Ill, we will pay up to the Maximum Caregiver Training Benefit (five times the Facility Care Daily Benefit elected on the application) shown on the Policy Schedule for expenses incurred for an informal caregiver to receive training to take care of you in your Home. An informal caregiver is any person who is not paid to care for you

The Elimination Period does not apply to this benefit and days of caregiver training will not be used to satisfy the Elimination Period

Alternative Plan of Care Benefit - An Alternative Plan of Care Benefit is available, if agreed to by you, your Licensed Health Care Practitioner, and us

The Alternative Plan of Care Benefit provides benefits for services which may include equipment purchases or rentals, permanent or temporary modifications to your Home (such as ramps or rails), or care services not normally covered under other benefit provisions. We reserve the right to make the final decision on any request for the Alternative Plan of Care Benefit

If the Elimination Period has not been satisfied, the remaining days needed to satisfy the Elimination Period will be multiplied by the Facility Care Daily Benefit and subtracted from the amount payable for the Alternative Plan of Care Benefit We will count each day that has been multiplied by the Facility Care Daily Benefit toward the Elimination Period

Care Coordination Advisor Benefit - If you choose, we will provide you with access to care management professionals who will work with you. your family member(s), and your Licensed Health Care Practitioner to determine and monitor your care, including assessment of your situation and investigation of available care resources. This may include assistance developing and monitoring a Plan of Care with you, your family member(s), and your Licensed Health Care Practitioner service is not required for you to obtain Benefit Payments under the Contract. This service will not accumulate toward the Maximum Lifetime Benefit The Elimination Period does not apply to this benefit and days of care coordination will not be used to satisfy the Elimination Period

#### ADDITIONAL BENEFIT OPTIONS

Home and Community Care Monthly Benefit - For additional premium, if you are receiving Benefit Payments under the Home and Community Care Benefit, we will pay up to the number of days in the month times the Home and Community Care Daily Benefit on a monthly basis for the actual expenses incurred during the month

Monthly Indemnity Benefit - For additional premium, this benefit provides a Monthly Indemnity Benefit amount in any month that you receive Benefit Payments under the Facility Care Benefit or Home and Community Care Benefit. The Monthly Indemnity Benefit Amount is shown on the Policy Schedule. This amount is calculated

as the percentage (25%) of the Facility Care Daily Benefit elected on the application multiplied by 30

## ELIGIBILITY FOR THE PAYMENT OF BENEFITS

Eligibility for Benefits - To be eligible for benefits under the Contract, you must be Chronically III The Chronic Illness must have begun after the Effective Date.

Limitations or Conditions on Eligibility for Benefits – To receive Benefit Payments, you must meet the Eligibility for Benefits provision above, in addition to the following

- the Contract must be In Force;
- you must have satisfied the Elimination Period, unless otherwise stated;
- you must be receiving Qualified Long Term Care Services pursuant to a Plan of Care prescribed by a Licensed Health Care Practitioner; and
- you must provide proof of such Chronic Illness as shown in the Claim Procedures section of the policy

Benefit Payments - We will pay up to the Facility Care Daily Benefit or Home and Community Care Daily Benefit for actual expenses incurred The Facility Care Daily Benefit and Home and Community Care Daily Benefit are shown on the Policy Schedule

#### IMPORTANT DEFINITIONS

Activities of Daily Living (ADLs), are the following

- Bathing Washing yourself by sponge bath, or in either a tub or shower, including the task of getting into or out of the tub or shower'
- Continence The ability to maintain control of bowel and bladder function, or, when unable to maintain control of bowel or bladder function, the ability to perform associated personal hygiene, including caring for a catheter or colostomy bag
- Dressing Putting on and taking off all items of clothing and any necessary braces, fasteners, or artificial limbs.

- Eating Feeding yourself by getting food into your body from a receptacle (such as a plate, cup, or table), or by feeding tube or intravenously
- Toileting. Getting to and from the toilet, getting on and off the toilet, and performing associated personal hygiene.
- Transferring Moving into or out of a bed, chair, or wheelchair

Chronically III means you have been certified, within the previous 12 months, but after the Effective Date, by a Licensed Health Care Practitioner as

- being unable to perform without Substantial Assistance at least 2 ADLs and Substantial Assistance is expected to be required for a period of at least 90 continuous days, or
- requiring Substantial Supervision to protect yourself from threats to health and safety due to a Severe Cognitive Impairment.

Class means a population segment with similar characteristics such as issue age, underwriting and rating classification, elected benefit options, or Elimination Period

Licensed Health Care Practitioner is a person who is a Physician (as defined in section 1861(r)(1) of the Social Security Act), a Registered Professional Nurse, a Licensed Social Worker, or other individual who meets such requirements as prescribed by the Secretary of the Treasury

#### Licensed Social Worker is a person who is

- licensed by the state, if required, and
- acting within the scope of his or her professional responsibilities when providing an assessment indicating that you are Chronically

We will not recognize you or an Immediate Family Member as a Licensed Social Worker for claims that you make to us under the Contract

#### Physician is a person who

- is licensed to practice medicine and surgery and prescribe and administer drugs,
- is legally qualified as a medical practitioner and required to be recognized as a Physician, under

the Contract for insurance purposes, according to applicable state insurance laws, or

 meets the requirements of section 1861(r)(1) of the Social Security Act

We will consider a person to be a Physician only when the person is performing tasks that are within the limits of the person's medical license, and such tasks are appropriate to the care of your Chronic Illness. We will not recognize you or an Immediate Family Member as a Physician for claims that you make to us under the Contract.

Qualified Long Term Care Services are care provided to you in a Nursing Facility or an Assisted Living Facility under the Facility Care Benefit, and services provided to you through Home Health Care Services, Adult Day Care Services, or Hospice Care Services under the Home and Community Care Benefit

Registered Professional Nurse (RN) is a duly registered nurse acting within the scope of his or her license at the time the treatment or service is performed

We will not recognize you or an Immediate Family Member as a Registered Professional Nurse for claims that you make to us under the Contract

Severe Cognitive Impairment is the deterioration or loss of your intellectual capacity which is confirmed by a Physician and measured by clinical evidence and standardized tests that reliably measure your impairment in:

- short or long term memory,
- orientation as to people (such as who you are), places (such as where you are), or time (such as day, date and year),
- judgement as it relates to safety awareness, which requires supervision or verbal cueing by another person to protect yourself and others, or
- · deductive or abstract reasoning

Coverage is provided for Alzheimer's Disease and forms of senility and irreversible dementia that result in a Severe Cognitive Impairment.

Substantial Assistance means stand-by or handson assistance without which you would not be able to safely and completely perform the ADL. Standby assistance means the presence of another person within arm's reach of you that is necessary to prevent, by physical intervention, injury to you while you are performing the ADL. Hands-on assistance means the direct physical assistance of another person

Substantial Supervision means requiring continual supervision by another person to protect you or others from threats to health or safety as a result of a Severe Cognitive Impairment Such supervision may include cueing by verbal prompting, gestures, or other similar demonstrations

#### LIMITATIONS AND EXCLUSIONS

Limitations and Exclusions - No benefits will be paid for any confinement, care, treatment, or service(s)

- for alcoholism or drug addiction
- that result from participating in a felony, in a riot, or an insurrection
- that result from an act of war, declared or undeclared, or during service in the armed forces
- that result from your intentionally self-inflicted injury
- provided outside the 50 states of the United States, the District of Columbia, or Canada [, except as described in the International Coverage Benefit Rider]
- provided to you by an Immediate Family Member or someone living in your Home
- for which you have no financial liability or that are provided at no charge in the absence of insurance.
- that are reimbursable under Medicare or would be so reimbursable but for the application of a deductible or coinsurance amount

# THE CONTRACT MAY NOT COVER ALL EXPENSES ASSOCIATED WITH YOUR LONG TERM CARE NEEDS.

Relationship of Cost of Care and Benefits - Because the costs of long term care services will likely increase over time, you should consider whether and how the benefits of this plan may be adjusted The benefit levels of the basic Contract will not increase over time. For additional premium, you may purchase one of the optional

Inflation Protection Riders described later in this outline.

Terms Under Which the Contract May Be Continued In Force or Discontinued -RENEWABILITY. THE CONTRACT IS GUARANTEED RENEWABLE This means you have the right, subject to the terms of the Contract, to continue the Contract as long as you pay your premiums on time Allianz Life Insurance Company of North America cannot change any of the terms of the Contract on its own, except that, in the future, IT MAY INCREASE THE PREMIUM YOU PAY

Waiver of Premium Benefit - If you are Chronically Ill and have satisfied the Elimination Period, we will waive your premium as it comes due, subject to the Eligibility for the Payment of Benefits section. We will continue to waive each premium that comes due according to the Mode of Payment in effect at the time you become eligible for this benefit, as long as you continue to be Chronically Ill.

Premiums will not be waived if you are only receiving benefits under the Respite Care Benefit, Caregiver Training Benefit, Alternative Plan of Care Benefit, or Care Coordination Advisor Benefit

Grace Period - Except for the first premium, you will have 65 days after each due date to pay the premium due. If your premium is not paid by the 30th day of the Grace Period, we will notify you and an individual designated by you to receive notice of possible Lapse due to non-payment of premium. Notice is considered to have been given as of 5 days after the date of mailing. You have an additional 30 days beyond the date this notice was given to pay your premium. The Contract remains In Force during the Grace Period.

Terms Under Which the Company May Change Premiums - Premium rates are guaranteed not to change for the first five Policy Years. After the fifth Policy Year, the Company may change the premium rates for the Contract, subject to the approval of the state insurance department, only if we base the premium change, by Class for everyone in your state, on the experience of this form. Any premium change will occur on the Policy Anniversary. We will notify you in writing at least 60 days before your premium changes.

Alzheimer's Disease - Subject to any applicable Elimination Period and Limitations or Exclusions described above, the Contract provides coverage for Alzheimer's Disease and forms of senility and irreversible dementia that result in a Severe Cognitive Impairment.

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|--|----------------------------|--|--|--|--|--|
| UNDERWRITING CLASS APPLIED FOR:  |                            |  |  |  |  |  |
| ☐ Preferred Plus ☐ Preferred ☐ Standard ☐ Select I ☐ Select II   |                            |  |  |  |  |  |
| MAXIMUM FACILITY CARE DAILY BENEFIT APPLIED FOR: (choice of [\$50 - \$500 in increments of \$10]) \$   |                            |  |  |  |  |  |
| <b>BENEFIT PERIOD APPLIED FOR:</b> [☐3 Years ☐4  | Years 🗆 5 Year             | rs]  |  |  |  |  |
| INFLATION PROTECTION RIDERS:  □ None □ 5% Lifetime Compound Benefit Increase Rider □ 3% Lifetime Compound Benefit Increase Rider □ 4% Lifetime Compound Benefit Increase Rider □ Simple Benefit Increase Rider NONFORFEITURE BENEFIT RIDER:  |                            |  |  |  |  |  |
| <ul><li>□ None</li><li>□ Shortened Benefit Rider</li></ul>   |                            |  |  |  |  |  |
| BENEFIT PA   | ACKAGES                    | 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1  |  |  |  |  |
| PACKAGE A: 70% Home and Community Care Daily Benefit 90-calendar day Elimination Period  | 90-calendar de Home and Co | and Community Care Daily Benefit<br>ay Elimination Period<br>mmunity Care Monthly Benefit  |  |  |  |  |
| PACKAGE B: 100% Home and Community Care Daily Benefit 90-calendar day Elimination Period Home and Community Care Monthly Benefit   | ·                          | Indemnity Benefit  |  |  |  |  |
| PREMIUM SUMMAR   |                            |  |  |  |  |  |
|  | RY INFORMAT                | TION - Salar Salar   |  |  |  |  |
| Long Term Care Policy Elimination Period Factor Underwriting Rate Class Factor Inflation Protection Rider Factor Nonforfeiture Benefit Rider Factor. Calendar Day Elimination Period Factor Home and Community Care Monthly Benefit Factor Monthly Indemnity Benefit Factor. Spousal Shared Care Rider Factor. Subtotal Discount Factor  TOTAL                   | ANNUAL PRE                 | \$     x     x     x     x     x     x     x     x     x     x     x     x     x     x     x     x     x   |  |  |  |  |
| Elimination Period Factor Underwriting Rate Class Factor Inflation Protection Rider Factor Nonforfeiture Benefit Rider Factor. Calendar Day Elimination Period Factor Home and Community Care Monthly Benefit Factor Monthly Indemnity Benefit Factor. Spousal Shared Care Rider Factor. Subtotal Discount Factor  TOTAL  PREMIUM PAYMENT MODE: (must elect one) | ANNUAL PRE                 | \$     x    x    x    x    x    x    x    x    x    x    x    x    x    x    x   x    x    x    x    x    x    x    x    x    x    x    x    x   x    x    x    x    x    x    x    x    x    x    x    x    x   x    x    x    x    x    x    x    x    x    x    x    x    x   x    x    x    x    x    x    x    x    x    x    x    x    x |  |  |  |  |
| Elimination Period Factor Underwriting Rate Class Factor Inflation Protection Rider Factor Nonforfeiture Benefit Rider Factor. Calendar Day Elimination Period Factor Home and Community Care Monthly Benefit Factor Monthly Indemnity Benefit Factor. Spousal Shared Care Rider Factor. Subtotal Discount Factor  TOTAL   | ANNUAL PRE                 | \$   |  |  |  |  |

#### ADDITIONAL FEATURES

Medical Underwriting - Your insurability for the Contract will be determined by the answers given in your application and any other authorized medical information we obtain regarding your current state of health

Counseling and Assistance – The Virginia Insurance Counseling and Assistance Program is available at: Virginia Department for the Aging, 1600 Forest Avenue, Suite 102, Richmond, VA 23229, Aging Services Hotline 800/552-3402

CONTACT THE STATE SENIOR HEALTH INSURANCE ASSISTANCE PROGRAM IF YOU HAVE GENERAL **QUESTIONS** LONG **TERM** REGARDING CARE INSURANCE. CONTACT THE INSURANCE YOU HAVE **SPECIFIC** COMPANY IF OUESTIONS REGARDING YOUR LONG TERM CARE INSURANCE CONTRACT.

[International Coverage Benefit Rider – If you require Qualified Long Term Care Services, which would otherwise be covered under the Contract while you are outside the 50 states of the United States, the District of Columbia, or Canada, in a designated country as defined in the Visa Waiver Program, we will pay actual expenses up to 70% of the Facility Care Daily Benefit or 70% of the Home and Community Care Daily Benefit Payment of this benefit is subject to the Eligibility for the Payment of Benefits section

Benefits paid accumulate toward the Maximum Lifetime Benefit and the International Coverage Maximum Lifetime Benefit. The International Coverage Maximum Lifetime Benefit is calculated as 70% of the Facility Care Daily Benefit elected on the application times 730 days ]

Coverage Enhancement Rider – Every five years, the following enhancement option is available under this Rider without underwriting at an additional premium. Increase the Facility Care Daily Benefit to reflect the Seasonally Adjusted Consumer Price Index for Nursing Homes and Adult Day Care

Shortened Benefit Rider - For additional premium, this Rider provides a benefit when the Contract has been In Force and premiums have been paid for at least three full Policy Years and Lapses due to nonpayment of premiums Under the Shortened Benefit Rider, coverage will continue during your lifetime, but benefits will be payable only until the total of benefits paid under the Contract, including benefits paid before the date the Contract Lapses, equals the greater of 30 times the Facility Care Daily Benefit in effect on the date of Lapse or the total of premiums paid under the Contract. Benefits payable under this Rider are subject to the same Contract provisions that would have been in effect had the Contract not Lapsed. However, no further increases will occur under any benefit increase Rider, attached to the policy, after the date the Contract Lapses

Contingent Benefit Upon Lapse Rider – This Rider is included in all Contracts that do not include the Shortened Benefit Rider Each time premiums are increased above the level defined by the state as a "substantial premium increase," the following options are made available, a reduction of Contract benefits provided by your current coverage so that premiums are not increased; or a conversion of the Contract to paid-up status with a Shortened Benefit Period

If you elect a reduction in Contract benefits, benefits will be provided at the level that the current premium payable under the Contract will purchase

If you elect to convert the Contract to a paid-up status, the Maximum Lifetime Benefit becomes equal to the greater of the total premiums paid for the policy and any attached Riders or thirty times the Facility Care Daily Benefit in effect on the date of conversion. Under this option, coverage will continue during your lifetime, but benefits will be payable only until the total of benefits paid under the policy and any attached Riders equals the new Maximum Lifetime Benefit. This option may be elected at any time within 120 days of a "substantial premium increase". If the Contract Lapses for nonpayment of premium during this 120-day period, this option will automatically be provided under the Contract.

Benefits payable under this Rider are subject to the same Contract provisions that would have been in effect had the Contract not been converted or Lapsed. However, no further increases will occur under any benefit increase Rider, if attached to the policy

Household Discount Rider – This Rider provides a discount on the premium because you are living with someone who has, or is issued an, Allianz Life long term care insurance Contract that is still In Force If someone with whom you are living is issued a Contract at a later date, we will provide the household discount once we are notified of such

Married Discount Rider - This Rider provides a discount on the premium because you are married If you are no longer married, you must provide written notice to Cancel this Rider If you become married after the Contract is issued, we will provide the married discount once we are notified of such

Spousal Discount Rider - This Rider provides a discount on the premium because both you and an Insured Spouse, with whom you are living and to whom you are married, were issued Contracts. If you are no longer living with or married to the Insured Spouse, you must provide written notice to Cancel this Rider If your spouse was already issued a Contract or is issued a Contract at a later date, we will provide the spousal discount once we are notified of such

Spousal Shared Care Rider - For additional premium, if you exhaust the Maximum Lifetime Benefit, you may access the Insured Spouse's benefits, upon our receipt of their signed consent, up to their maximum lifetime benefit, less the total of all claims paid[, less 365 times the facility care daily benefit]

If the Insured Spouse exhausts their maximum lifetime benefit, the Insured Spouse may access your benefits, upon our receipt of your signed consent, up to the Maximum Lifetime Benefit less the total of all claims paid[, less 365 times the facility care daily benefit]

**Inflation Protection Riders** - For additional premium, these Riders provide that on each Policy Anniversary, the benefits provided by the Contract will be increased

The 3%, 4%, and 5% Lifetime Compound Benefit Increase Riders increase benefits as follows:

- the Facility Care Daily Benefit and Home and Community Care Daily Benefit will be increased by 3%, 4%, or 5% of the amount in effect on the previous Policy Anniversary
- the Monthly Indemnity Benefit (if the Monthly Indemnity Benefit option is elected) will be increased by 3%, 4%, or 5% of the amount in effect on the previous Policy Anniversary
- the remaining Maximum Lifetime Benefit will be increased by 3%, 4%, or 5%

The annual increases will occur even if benefits are being paid. If you Cancel this Rider, you will forfeit all increases provided above

## The Two Times Compound Benefit Increase Rider increases benefits as follows

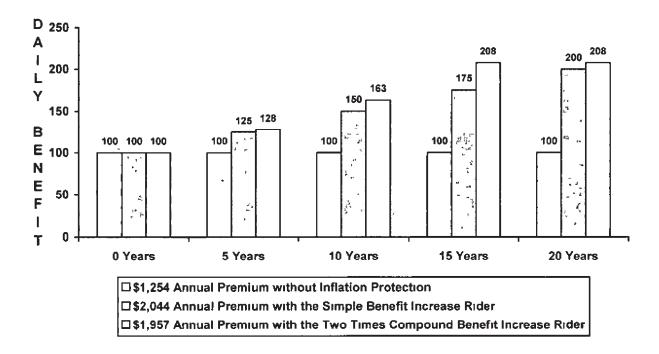
- the Facility Care Daily Benefit and Home and Community Care Daily Benefit will be increased by 5% of the amount in effect on the previous Policy Anniversary.
- the Monthly Indemnity Benefit (if the Monthly Indemnity Benefit option is elected) will be increased by 5% of the amount in effect on the previous Policy Anniversary
- The remaining Maximum Lifetime Benefit will be increased by 5%

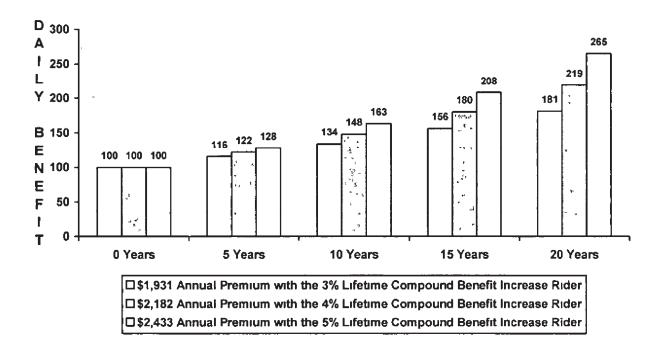
Annual increases will occur each year until the current benefit amount first exceeds two times the original benefit amount

The annual increases will occur even if benefits are being paid. If you Cancel this Rider, you will forfeit all increases provided above The Simple Benefit Increase Rider increases benefits as follows

- the Facility Care Daily Benefit and Home and Community Care Daily Benefit will be increased by 5% of the amount shown on the current Policy Schedule.
- the Monthly Indemnity Benefit (if the Monthly Indemnity Benefit option is elected) will be
- increased by 5% of the amount shown on the current Policy Schedule
- the remaining Maximum Lifetime Benefit will also increase by the same proportion as the increase in the daily benefits

The annual increases will occur even if benefits are being paid. If you Cancel this Rider, you will forfeit all increases provided above The first graph compares the benefits and premiums between a policy with the Simple Benefit Increase Rider, the Two Times Compound Benefit Increase Rider, and a policy without either one. The second graph compares the benefits and premiums between a policy with the 3%, 4%, and 5% Lifetime Compound Benefit Increase Riders. For purposes of illustration, the sample shown is for a policy with an issue age of 65, a \$100 Facility Care Daily Benefit, a 5-year Benefit Period, Package B, and a Standard rating classification.





Allianz Life Insurance Company of North America [Home Office. Minneapolis, MN] [5701 Golden Hills Drive Minneapolis, MN 55416-1297 800/729-8505]



#### OUTLINE OF COVERAGE FOR LONG TERM CARE INSURANCE POLICY FORM 11-P-Q-VA

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you any unearned premium for the Contract within 30 days of the effective date of such Cancellation or Termination. The effective date of the Cancellation is the date we receive your written Cancellation request or a later date specified in your written Cancellation request, whichever is later. Upon your death, we will return any unearned premium for the Contract to your Beneficiary, or to your estate if no Beneficiary has been designated, within 30 days of receipt of proof of your death.

This Is Not Medicare Supplement Coverage - If you are eligible for Medicare, review the Guide to Health Insurance for People with Medicare available from us Neither Allianz Life Insurance Company of North America nor its agents represent Medicare, the federal government, or any state government

Long Term Care Coverage - Contracts of this category are designed to provide coverage for one or more necessary or medically necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services, provided in a setting, other than an acute care unit of a Hospital, such as in a Nursing Facility, in the community, or in the Home The Contract provides coverage in the form of an expense incurred benefit for covered long term care expenses, subject to Contract provisions, limitations, exclusions, and the Elimination Period

#### BENEFITS PROVIDED BY THE POLICY

Covered Care - The Contract provides benefits for Qualified Long Term Care Services This includes Facility Care provided in a Nursing Facility or an Assisted Living Facility and Home and Community Care, which provides benefits for Adult Day Care Services, Home Health Care Services, and Hospice Care Services Benefits are also provided for Respite Care, Bed Reservation, Caregiver Training, an Alternative Plan of Care, and a Care Coordination Advisor

Elimination Period - This is the period of time that must be satisfied before benefits become payable under the Contract. It is the number of calendar days in which you are Chronically Ill and have not received Benefit Payments under the Contract. The Elimination Period is shown on the Policy Schedule Each calendar day beginning with the first day that you receive Qualified Long Term Care Services until you are no longer Chronically Ill counts toward the Elimination Period. Once you have satisfied the Elimination Period, no future Elimination Period is required. Days may be accumulated under separate claims in order to satisfy the Elimination Period.

Maximum Lifetime Benefit - This is the total amount we will pay in your lifetime for all benefits (other than the Waiver of Premium Benefit) provided by the Contract The Maximum Lifetime Benefit is shown on the Policy Schedule The Maximum Lifetime Benefit is calculated as the Facility Care Daily Benefit times the Benefit Period (in years) times 365 The Facility Care Daily Benefit and Benefit Period are shown on the Policy

Schedule All benefits paid under the Contract accumulate toward the Maximum Lifetime Benefit, unless otherwise stated However, for Home and Community Care Benefits, only an amount up to the Facility Care Daily Benefit will accumulate toward the Maximum Lifetime Benefit

Facility Care Benefit - If you are confined in a Nursing Facility or Assisted Living Facility, we will pay up to the Facility Care Daily Benefit elected on the application for each day of care received in the Nursing Facility or Assisted Living Facility Payment of this benefit is subject to the Eligibility for the Payment of Benefits section. The Facility Care Daily Benefit and Maximum Lifetime Benefit are shown on the Policy Schedule. The Facility Care Daily Benefit available ranges from \$50 to \$200 per day in increments of \$10.

Home and Community Care Benefit - We will pay up to the Home and Community Care Daily Benefit elected on the application for covered Home Health Care Services, Adult Day Care Services, and Hospice Care Services, as long as you are not receiving Facility Care Benefits, and are not confined in a Hospital Payment of this benefit is subject to the Eligibility for the Payment of Benefits section. The Home and Community Care Daily Benefit and Maximum Lifetime Benefit are shown on the Policy Schedule. The Home and Community Care Daily Benefit available is 70%, 100%, or 130% of the elected Facility Care Daily Benefit.

The purpose of these services must be primarily to give needed assistance to you as a result of your being Chronically III

Respite Care Benefit - If you are Chronically Ill and are normally cared for by an informal caregiver, we will pay the actual daily charges you incur for each day of care received in a Nursing Facility or an Assisted Living Facility, up to the Respite Facility Care Daily Benefit, or the actual expenses you incur for each day you receive Home and Community Care, up to the Respite Home and Community Care Daily Benefit.

The purpose of this benefit is to temporarily relieve an informal caregiver who is providing care to you in your Home An informal caregiver is any person who is not paid to care for you The Elimination Period does not apply to this benefit and days of respite care will not be used to satisfy the Elimination Period. The Respite Care Benefit is payable for a maximum of 30 days per calendar year.

Bed Reservation Benefit - If you are receiving Benefit Payments and are confined in a Nursing Facility or Assisted Living Facility, we will continue to pay the Facility Care Daily Benefit and Monthly Indemnity Benefit (if the Monthly Indemnity Benefit option is elected) as if you were still confined in the Nursing Facility or Assisted Living Facility if you

- become hospitalized or temporarily leave the Nursing Facility or Assisted Living Facility, and
- are billed by the Nursing Facility or Assisted Living Facility to reserve your accommodations

This benefit is subject to the Eligibility for Payment of Benefits section. However, if the Elimination Period has not been satisfied, we will count each day that you are billed by the Nursing Facility or the Assisted Living Facility to reserve your accommodations toward the Elimination Period This benefit is available for a maximum of 60 days per calendar year

Caregiver Training Benefit - If you are Chronically Ill, we will pay up to the Maximum Caregiver Training Benefit (five times the Facility Care Daily Benefit elected on the application) shown on the Policy Schedule for expenses incurred for an informal caregiver to receive training to take care of you in your Home An informal caregiver is any person who is not paid to care for you.

The Elimination Period does not apply to this benefit and days of caregiver training will not be used to satisfy the Elimination Period.

Alternative Plan of Care Benefit - An Alternative Plan of Care Benefit is available, if agreed to by you, your Licensed Health Care Practitioner, and us

The Alternative Plan of Care Benefit provides benefits for services which may include, equipment purchases or rentals, permanent or temporary modifications to your Home (such as ramps or rails), or care services not normally covered under other benefit provisions. We reserve the right to make the final decision on any request for the Alternative Plan of Care Benefit.

If the Elimination Period has not been satisfied, the remaining days needed to satisfy the Elimination Period will be multiplied by the Facility Care Daily Benefit and subtracted from the amount payable for the Alternative Plan of Care Benefit. We will count each day that has been multiplied by the Facility Care Daily Benefit toward the Elimination Period

Care Coordination Advisor Benefit - If you choose, we will provide you with access to care management professionals who will work with you, your family member(s), and your Licensed Health Care Practitioner to determine and monitor your care, including assessment of your situation and investigation of available care resources. This may include assistance developing and monitoring a Plan of Care with you, your family member(s), and your Licensed Health Care Practitioner. service is not required for you to obtain Benefit Payments under the Contract. This service will not accumulate toward the Maximum Lifetime Benefit The Elimination Period does not apply to this benefit and days of care coordination will not be used to satisfy the Elimination Period.

#### ADDITIONAL BENEFIT OPTIONS

Home and Community Care Monthly Benefit - For additional premium, if you are receiving Benefit Payments under the Home and Community Care Benefit, we will pay up to the number of days in the month times the Home and Community Care Daily Benefit on a monthly basis for the actual expenses incurred during the month.

Monthly Indemnity Benefit - For additional premium, this benefit provides a Monthly Indemnity Benefit amount in any month that you receive Benefit Payments under the Facility Care Benefit or Home and Community Care Benefit The Monthly Indemnity Benefit Amount is shown on the Policy Schedule. This amount is calculated

as the percentage (25%) of the Facility Care Daily Benefit elected on the application multiplied by 30

#### ELIGIBILITY FOR THE PAYMENT OF BENEFITS

Eligibility for Benefits - To be eligible for benefits under the Contract, you must be Chronically Ill The Chronic Illness must have begun after the Effective Date.

Limitations or Conditions on Eligibility for Benefits – To receive Benefit Payments, you must meet the Eligibility for Benefits provision above, in addition to the following

- the Contract must be In Force;
- you must have satisfied the Elimination Period, unless otherwise stated,
- you must be receiving Qualified Long Term Care Services pursuant to a Plan of Care prescribed by a Licensed Health Care Practitioner, and
- you must provide proof of such Chronic Illness as shown in the Claim Procedures section of the policy

Benefit Payments - We will pay up to the Facility Care Daily Benefit or Home and Community Care Daily Benefit for actual expenses incurred. The Facility Care Daily Benefit and Home and Community Care Daily Benefit are shown on the Policy Schedule.

#### IMPORTANT DEFINITIONS

Activities of Daily Living (ADLs) are the following:

- Bathing. Washing yourself by sponge bath, or in either a tub or shower, including the task of getting into or out of the tub or shower
- Continence The ability to maintain control of bowel and bladder function, or, when unable to maintain control of bowel or bladder function, the ability to perform associated personal hygiene, including caring for a catheter or colostomy bag
- Dressing Putting on and taking off all items of clothing and any necessary braces, fasteners, or artificial limbs

- Eating Feeding yourself by getting food into your body from a receptacle (such as a plate, cup, or table), or by feeding tube or intravenously.
- Toileting. Getting to and from the toilet, getting on and off the toilet, and performing associated personal hygiene
- Transferring Moving into or out of a bed, chair, or wheelchair

Chronically III means you have been certified, within the previous 12 months, but after the Effective Date, by a Licensed Health Care Practitioner as

- being unable to perform without Substantial Assistance at least 2 ADLs and Substantial Assistance is expected to be required for a period of at least 90 continuous days, or
- requiring Substantial Supervision to protect yourself from threats to health and safety due to a Severe Cognitive Impairment

Class means a population segment with similar characteristics such as issue age, underwriting and rating classification, elected benefit options, or Elimination Period.

Licensed Health Care Practitioner is a person who is a Physician (as defined in section 1861(r)(1) of the Social Security Act), a Registered Professional Nurse, a Licensed Social Worker, or other individual who meets such requirements as prescribed by the Secretary of the Treasury.

#### Licensed Social Worker is a person who is

- licensed by the state, if required, and
- acting within the scope of his or her professional responsibilities when providing an assessment indicating that you are Chronically Ill

We will not recognize you or an Immediate Family Member as a Licensed Social Worker for claims that you make to us under the Contract

#### Physician is a person who

- is licensed to practice medicine and surgery and prescribe and administer drugs,
- is legally qualified as a medical practitioner and required to be recognized as a Physician, under

- the Contract for insurance purposes, according to applicable state insurance laws, or
- meets the requirements of section 1861(r)(1) of the Social Security Act

We will consider a person to be a Physician only when the person is performing tasks that are within the limits of the person's medical license, and such tasks are appropriate to the care of your Chronic Illness. We will not recognize you or an Immediate Family Member as a Physician for claims that you make to us under the Contract

Qualified Long Term Care Services are care provided to you in a Nursing Facility or an Assisted Living Facility under the Facility Care Benefit, and services provided to you through Home Health Care Services, Adult Day Care Services, or Hospice Care Services under the Home and Community Care Benefit.

Registered Professional Nurse (RN) is a duly registered nurse acting within the scope of his or her license at the time the treatment or service is performed

We will not recognize you or an Immediate Family Member as a Registered Professional Nurse for claims that you make to us under the Contract

Severe Cognitive Impairment is the deterioration or loss of your intellectual capacity which is confirmed by a Physician and measured by clinical evidence and standardized tests that reliably measure your impairment in

- short or long term memory,
- orientation as to people (such as who you are), places (such as where you are), or time (such as day, date and year);
- judgement as it relates to safety awareness, which requires supervision or verbal cueing by another person to protect yourself and others, or
- deductive or abstract reasoning.

Coverage is provided for Alzheimer's Disease and forms of senility and irreversible dementia that result in a Severe Cognitive Impairment

Substantial Assistance means stand-by or handson assistance without which you would not be able to safely and completely perform the ADL Standby assistance means the presence of another person within arm's reach of you that is necessary to prevent, by physical intervention, injury to you while you are performing the ADL. Hands-on assistance means the direct physical assistance of another person

Substantial Supervision means requiring continual supervision by another person to protect you or others from threats to health or safety as a result of a Severe Cognitive Impairment. Such supervision may include cueing by verbal prompting, gestures, or other similar demonstrations

#### LIMITATIONS AND EXCLUSIONS

Limitations and Exclusions - No benefits will be paid for any confinement, care, treatment, or service(s):

- · for alcoholism or drug addiction
- that result from participating in a felony, in a riot, or an insurrection
- that result from an act of war, declared or undeclared, or during service in the armed forces.
- that result from your intentionally self-inflicted injury
- provided outside the 50 states of the United States, the District of Columbia, or Canada [, except as described in the International Coverage Benefit Rider]
- provided to you by an Immediate Family Member or someone living in your Home
- for which you have no financial liability or that are provided at no charge in the absence of insurance.
- that are reimbursable under Medicare or would be so reimbursable but for the application of a deductible or coinsurance amount

## THE CONTRACT MAY NOT COVER ALL EXPENSES ASSOCIATED WITH YOUR LONG TERM CARE NEEDS.

Relationship of Cost of Care and Benefits - Because the costs of long term care services will likely increase over time, you should consider whether and how the benefits of this plan may be adjusted. The benefit levels of the basic Contract will not increase over time. For additional premium, you may purchase one of the optional

Inflation Protection Riders described later in this outline

Terms Under Which the Contract May Be Continued In Force or Discontinued RENEWABILITY THE CONTRACT GUARANTEED RENEWABLE This means you have the right, subject to the terms of the Contract, to continue the Contract as long as you pay your premiums on time Allianz Life Insurance Company of North America cannot change any of the terms of the Contract on its own, except that, in the future. IT MAY INCREASE THE PREMIUM YOU PAY

Waiver of Premium Benefit - If you are Chronically III and have satisfied the Elimination Period, we will waive your premium as it comes due, subject to the Eligibility for the Payment of Benefits section. We will continue to waive each premium that comes due according to the Mode of Payment in effect at the time you become eligible for this benefit, as long as you continue to be Chronically III.

Premiums will not be waived if you are only receiving benefits under the Respite Care Benefit, Caregiver Training Benefit, Alternative Plan of Care Benefit, or Care Coordination Advisor Benefit

Grace Period - Except for the first premium, you will have 65 days after each due date to pay the premium due. If your premium is not paid by the 30th day of the Grace Period, we will notify you and an individual designated by you to receive notice of possible Lapse due to non-payment of premium. Notice is considered to have been given as of 5 days after the date of mailing. You have an additional 30 days beyond the date this notice was given to pay your premium. The Contract remains In Force during the Grace Period.

Terms Under Which the Company May Change Premiums - Premium rates are guaranteed not to change for the first five Policy Years. After the fifth Policy Year, the Company may change the premium rates for the Contract, subject to the approval of the state insurance department, only if we base the premium change, by Class for everyone in your state, on the experience of this form. Any premium change will occur on the Policy Anniversary. We will notify you in writing at least 60 days before your premium changes.

Alzheimer's Disease - Subject to any applicable Elimination Period and Limitations or Exclusions described above, the Contract provides coverage for Alzheimer's Disease and forms of senility and irreversible dementia that result in a Severe Cognitive Impairment

| PREMIUM WORKSHEET - LONG TERM CARE INSURANCE                       |   |  |  |  |
|--|---|--|--|--|
| MAXIMUM FACILITY CARE DAILY BENEFIT APPLIED FOR:                   |   |  |  |  |
| (choice of [\$50 - \$200 in increments of \$10]) \$                |   |  |  |  |
| <b>BENEFIT PERIOD APPLIED FOR:</b> □ 3 Years □ 4                   | Years   |  |  |  |
| INFLATION PROTECTION RIDERS:                                       |   |  |  |  |
| □ None   | ☐ 5% Lifetime Compound Benefit Increase Rider |  |  |  |
| ☐ 3% Lifetime Compound Benefit Increase Rider                      | ☐ Two Times Compound Benefit Increase Rider   |  |  |  |
| ☐ 4% Lifetime Compound Benefit Increase Rider                      | ☐ Simple Benefit Increase Rider               |  |  |  |
| NONFORFEITURE BENEFIT RIDER:                                       |   |  |  |  |
| □ None   |   |  |  |  |
| ☐ Shortened Benefit Rider  |   |  |  |  |
| BENEFIT PA   | ACKAGES                                       |  |  |  |
| ☐ PACKAGE A:   | □ PACKAGE C:                                  |  |  |  |
| 70% Home and Community Care Daily Benefit                          | 130% Home and Community Care Daily Benefit    |  |  |  |
| 90-calendar day Elimination Period                                 | 90-calendar day Elimination Period            |  |  |  |
|  | Home and Community Care Monthly Benefit       |  |  |  |
| □ PACKAGE B:   | 25% Monthly Indemnity Benefit                 |  |  |  |
| 100% Home and Community Care Daily Benefit                         |   |  |  |  |
| 90-calendar day Elimination Period                                 |   |  |  |  |
| Home and Community Care Monthly Benefit                            |   |  |  |  |
| PREMIUM SUMMAR   | Y INFORMATION                                 |  |  |  |
| Long Term Care Policy  | \$  |  |  |  |
| Elimination Period Factor  | x   |  |  |  |
| Inflation Protection Rider Factor                                  | · x   |  |  |  |
| Nonforfeiture Benefit Rider Factor.                                | X   |  |  |  |
| Calendar Day Elimination Period Factor                             | x   |  |  |  |
| Home and Community Care Monthly Benefit Factor:                    | X   |  |  |  |
| Monthly Indemnity Benefit Factor Spousal Shared Care Rider Factor. | x   |  |  |  |
| Subtotal.  | x   |  |  |  |
| Discount Factor  | x   |  |  |  |
|  | ANNUAL PREMIUM: \$                            |  |  |  |
| PREMIUM PAYMENT MODE: (must elect one)                             |   |  |  |  |
| [□ Annual □ Semi-Annual □ Quarterly □ Monthly/PA                   | C   Monthly Credit Card] x                    |  |  |  |
| TOTAL  | MODAL PREMIUM: \$                             |  |  |  |

#### **ADDITIONAL FEATURES**

Medical Underwriting - Your insurability for the Contract will be determined by the answers given in your application and any other authorized medical information we obtain regarding your current state of health.

Counseling and Assistance - The Virginia Insurance Counseling and Assistance Program is available at: Virginia Department for the Aging, 1600 Forest Avenue, Suite 102, Richmond, VA 23229, Aging Services Hotline 800/552-3402

CONTACT THE STATE SENIOR HEALTH INSURANCE ASSISTANCE PROGRAM IF YOU GENERAL HAVE **OUESTIONS** REGARDING LONG TERM CARE INSURANCE. CONTACT THE INSURANCE COMPANY IF YOU HAVE **SPECIFIC** OUESTIONS REGARDING YOUR LONG TERM CARE INSURANCE CONTRACT.

[International Coverage Benefit Rider – If you require Qualified Long Term Care Services, which would otherwise be covered under the Contract while you are outside the 50 states of the United States, the District of Columbia, or Canada, in a designated country as defined in the Visa Waiver Program, we will pay actual expenses up to 70% of the Facility Care Daily Benefit or 70% of the Home and Community Care Daily Benefit Payment of this benefit is subject to the Eligibility for the Payment of Benefits section

Benefits paid accumulate toward the Maximum Lifetime Benefit and the International Coverage Maximum Lifetime Benefit. The International Coverage Maximum Lifetime Benefit is calculated as 70% of the Facility Care Daily Benefit elected on the application times 730 days ]

Coverage Enhancement Rider – Every five years, the following enhancement option is available under this Rider without underwriting at an additional premium. Increase the Facility Care Daily Benefit to reflect the Seasonally Adjusted Consumer Price Index for Nursing Homes and Adult Day Care.

Shortened Benefit Rider - For additional premium. this Rider provides a benefit when the Contract has been In Force and premiums have been paid for at least three full Policy Years and Lapses due to nonpayment of premiums. Under the Shortened Benefit Rider, coverage will continue during your lifetime, but benefits will be payable only until the total of benefits paid under the Contract, including benefits paid before the date the Contract Lapses, equals the greater of 30 times the Facility Care Daily Benefit in effect on the date of Lapse or the total of premiums paid under the Contract. Benefits payable under this Rider are subject to the same Contract provisions that would have been in effect had the Contract not Lapsed However, no further increases will occur under any benefit increase Rider, attached to the policy, after the date the Contract Lapses

Contingent Benefit Upon Lapse Rider – This Rider is included in all Contracts that do not include the Shortened Benefit Rider. Each time premiums are increased above the level defined by the state as a "substantial premium increase," the following options are made available, a reduction of Contract benefits provided by your current coverage so that premiums are not increased; or a conversion of the Contract to paid-up status with a Shortened Benefit Period

If you elect a reduction in Contract benefits, benefits will be provided at the level that the current premium payable under the Contract will purchase

If you elect to convert the Contract to a paid-up status, the Maximum Lifetime Benefit becomes equal to the greater of the total premiums paid for the policy and any attached Riders or thirty times the Facility Care Daily Benefit in effect on the date of conversion Under this option, coverage will continue during your lifetime, but benefits will be payable only until the total of benefits paid under the policy and any attached Riders equals the new Maximum Lifetime Benefit. This option may be elected at any time within 120 days of a "substantial premium increase" If the Contract Lapses for nonpayment of premium during this 120-day period, this option will automatically be provided under the Contract

Benefits payable under this Rider are subject to the same Contract provisions that would have been in effect had the Contract not been converted or Lapsed. However, no further increases will occur under any benefit increase Rider, if attached to the policy

Household Discount Rider – This Rider provides a discount on the premium because you are living with someone who has, or is issued an, Allianz Life long term care insurance Contract that is still In Force If someone with whom you are living is issued a Contract at a later date, we will provide the household discount once we are notified of such

Married Discount Rider - This Rider provides a discount on the premium because you are married If you are no longer married, you must provide written notice to Cancel this Rider If you become married after the Contract is issued, we will provide the married discount once we are notified of such

Spousal Discount Rider - This Rider provides a discount on the premium because both you and an Insured Spouse, with whom you are living and to whom you are married, were issued Contracts. If you are no longer living with or married to the Insured Spouse, you must provide written notice to Cancel this Rider If your spouse was already issued a Contract or is issued a Contract at a later date, we will provide the spousal discount once we are notified of such

Spousal Shared Care Rider - For additional premium, if you exhaust the Maximum Lifetime Benefit, you may access the Insured Spouse's benefits, upon our receipt of their signed consent, up to their maximum lifetime benefit, less the total of all claims paid[, less 365 times the facility care daily benefit]

If the Insured Spouse exhausts their maximum lifetime benefit, the Insured Spouse may access your benefits, upon our receipt of your signed consent, up to the Maximum Lifetime Benefit less the total of all claims paid[, less 365 times the facility care daily benefit]

Inflation Protection Riders - For additional premium, these Riders provide that on each Policy Anniversary, the benefits provided by the Contract will be increased

The 3%, 4%, and 5% Lifetime Compound Benefit Increase Riders increase benefits as follows

- the Facility Care Daily Benefit and Home and Community Care Daily Benefit will be increased by 3%, 4%, or 5% of the amount in effect on the previous Policy Anniversary
- the Monthly Indemnity Benefit (if the Monthly Indemnity Benefit option is elected) will be increased by 3%, 4%, or 5% of the amount in effect on the previous Policy Anniversary
- the remaining Maximum Lifetime Benefit will be increased by 3%, 4%, or 5%.

The annual increases will occur even if benefits are being paid. If you Cancel this Rider, you will forfeit all increases provided above.

## The Two Times Compound Benefit Increase Rider increases benefits as follows

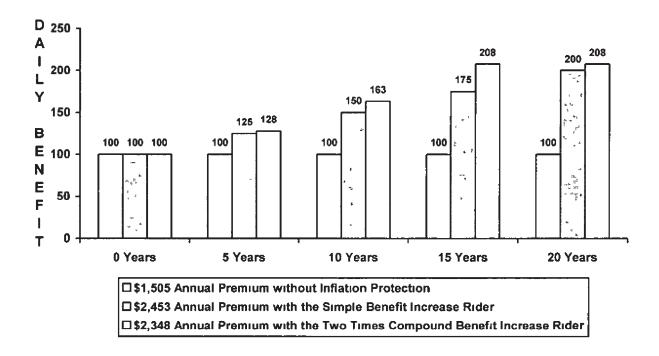
- the Facility Care Daily Benefit and Home and Community Care Daily Benefit will be increased by 5% of the amount in effect on the previous Policy Anniversary.
- the Monthly Indemnity Benefit (if the Monthly Indemnity Benefit option is elected) will be increased by 5% of the amount in effect on the previous Policy Anniversary.
- The remaining Maximum Lifetime Benefit will be increased by 5%.

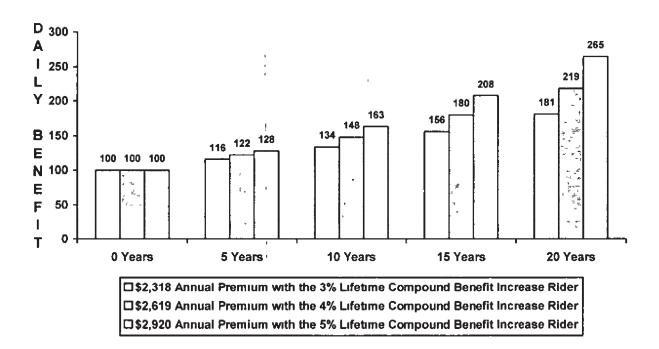
Annual increases will occur each year until the current benefit amount first exceeds two times the original benefit amount

The annual increases will occur even if benefits are being paid. If you Cancel this Rider, you will forfeit all increases provided above The Simple Benefit Increase Rider increases benefits as follows:

- the Facility Care Daily Benefit and Home and Community Care Daily Benefit will be increased by 5% of the amount shown on the current Policy Schedule
- the Monthly Indemnity Benefit (if the Monthly Indemnity Benefit option is elected) will be
- increased by 5% of the amount shown on the current Policy Schedule
- the remaining Maximum Lifetime Benefit will also increase by the same proportion as the increase in the daily benefits

The annual increases will occur even if benefits are being paid. If you Cancel this Rider, you will forfeit all increases provided above The first graph compares the benefits and premiums between a policy with the Simple Benefit Increase Rider, the Two Times Compound Benefit Increase Rider, and a policy without either one The second graph compares the benefits and premiums between a policy with the 3%, 4%, and 5% Lifetime Compound Benefit Increase Riders. For purposes of illustration, the sample shown is for a policy with an issue age of 65, a \$100 Facility Care Daily Benefit, a 5-year Benefit Period, Package B, and a Standard rating classification.





#### Component Header SERT-6L7NDC243/00-28/00-00/00

#### **Component Header**

Component 28 - Rev 00

Created by Tammy Smasal on 05/31/2006

Assigned To Mary Ann Mason, Bob Grissom,

Company List Allianz Life Insurance Company

Sent 01/19/2006 03 57 00 PM

Other Authors None

TOI LTC03I Individual Long Term Care

SubTOI LTC03I 001 Qualified

**Tracking Information:** 

Virginia 7/26102

State Tracking # Component Status

(State)

Approved

None

None

None

None

Disposition Date Implementation None

Date

Deemer Date Effective Date

Requirement

SERFF Tracking #

Component Status

(SERFF)

Delivery Date Reviewer

05/31/2006 10 10 16 AM Mary Ann Mason, Bob Grissom,

Viewed by State

SERT-6L7NDC243/00-28/00-00/00

[Receiver]

Reviewer Phone None Reviewer Fax None Primary Reviewer None

Status

Component Information:

Component Type Lead Form Number

11-P-Q-VA Application for LTC1

Readability Score see certficate Component Action State Specific Code

Company Form Number

11-A-FULL-VA, et al Replaces Form

ch24

Initial

None

Number

Requirement

Form Title

Satisfied

**Brief Description** 

Application for LTC1 None

Filer's Notes Document(s)

None

None

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

Company Information

Allianz Life Insurance Company of North

America

Contact

Smasal, Tammy

File Attachments.

11-A-FULL-VA(2) pdf, 11-A-SIMP-VA(2) pdf, 11-A-SEL-FULL-VA(2) pdf,

11-A-SEL-SIMP-VA(2) pdf

## Allianz Life Insurance Company of North America

Home Office Minneapolis, MN 55416-1297

[PO Box 1292 Minneapolis, MN 55440-1292]

Application for [Generation Protector II™] Long Term Care Insurance □ New application
 □ Existing policy change/reinstatement

| Home Office use only Allianz assigned policy number(s) |  |  |
|--|--|--|
| Primary  |  |  |
| Second   |  |  |

| 1. Tell us about yourself   |   |
|---|---|
| Proposed primary insured  |   |
| First Middle Li   | ast                                     |
|   |   |
| Occupation  | ocial Security number                   |
|   |   |
| Residence address   |   |
|   |   |
|   | tate ZIP code                           |
|   |   |
| Day phone number Evening phone number   | Best time to call                       |
|   |   |
| Date of birth (mm/dd/yyyy) Age Gender H   | leight Weight                           |
| Male Female   | lbs                                     |
| Tobacco use ☐ Nonsmoker of agarettes in past 24 months ☐ Smoker of agarettes  | in past 24 months  Other tobacco use    |
| Mantal status With whom do you currently live?  |   |
| ☐ Marned ☐ Single ☐ Spouse ☐ Alone ☐ Other ☐ Widowed ☐ Divorced Is this person currently covered by an Allianz long term ca | are insurance policy?                   |
|   |   |
| Do you currently own an Allianz fixed, universal, term, or vanable life insurance policy or Policy or contract number       | or annuity contract?                    |
|   |   |
| Type of coverage  |   |
| Proposed second insured   | · · · · · · · · · · · · · · · · · · ·   |
| First Middle  | ast                                     |
|   |   |
| Occupation  | ocial Security number                   |
|   |   |
| Residence address   |   |
|   |   |
| City  | itate ZIP code                          |
|   |   |
| Day phone number Evening phone number   | Best time to call                       |
|   |   |
| Date of birth (mm/dd/yyyy) Age Gender H   | leight Weight                           |
| Male - Female   |   |
| Tobacco use  Nonsmoker of agarettes in past 24 months  Smoker of agarettes  | in past 24 months  Other tobacco use    |
| Do you currently own an Allianz fixed, universal, term, or variable life insurance policy o                                 | or annuity contract?  Yes  No           |
| Policy or contract number   | 1                                       |
| Type of coverage  |   |
|   | *************************************** |

[(5/2006)]

Return to Home Office

| 2        | . Agent information  |                                       |                   |                          |                   |  |  |
|----------|--|---------------------------------------|-------------------|--------------------------|-------------------|--|--|
| Fi       | rst  |                                       | Middle initial    | Last                     |                   |  |  |
|          |  |                                       |                   |                          |                   |  |  |
| (        | none number  |                                       | % Split           | Agent number             |                   |  |  |
| F        | rst  | ,                                     | Middle initial    | Last                     | ī                 |  | No. of the last of |
| Pr<br>([ | none number  |                                       | % Split           | Agent number             |                   |  |  |
|          |  |                                       |                   |                          |                   |  |  |
| 3        | . Other insurance informati  | on                                    |                   |                          |                   | _  | •  |
|          |  |                                       |                   |                          |                   | Primary<br>Insured<br>Yes No   | Insured  |
| 1        | Do you have another long term ca                                     |                                       |                   | ce (including a health s | services          |  |  |
|          | plan contract or a health maintena<br>If "Yes," list details below   | ince organization contra              | ect)?             |                          |                   |  |  |
| 2        | Did you have another long term call "Yes," list details below        | are insurance policy or o             | certificate in fo | rce during the last 12 M | MONTHS?           |  |  |
| 3        | Are you currently receiving benefit                                  | s from a state assistant              | ce program (M     | ledicaid)?               |                   |  |  |
| 4        | Do you intend to replace any of you if "Yes," you MUST complete Sect |                                       | lical, or health  | insurance coverage with  | h this policy?    |  |  |
| 5        | In the past 12 MONTHS, have you long term care, or home health ca    |                                       | her company f     | or a policy providing nu | irsing home care, |  |  |
|          | If "Yes," what was the reason for t                                  | he declination?                       |                   |                          |                   |  | ·  |
| Г        | Proposed primary insured   | ☐ Proposed se                         | econd insur       | ed                       |                   |  |  |
| Si       | atus of policy   | When (mm/dd/yyyy)                     | Joona IIIoai      | Type of benefit          |                   |  |  |
|          | Lapsed Applied for In force  |                                       |                   |                          |                   | and the same of th |  |
| N.       | ame of company   |                                       | E to E            |                          | Policy number     |  | 7  |
| To       | be replaced by this coverage   | Amount of benefit                     |                   | <del></del>              |                   |  |  |
|          | Yes No   | [\$                                   |                   | Other                    |                   |  |  |
|          | Proposed primary insured   |                                       | cond insur        |                          |                   |  |  |
| S        | atus of policy   | When (mm/dd/yyyy)                     |                   | Type of benefit          |                   |  |  |
|          | Lapsed Applied for In force  |                                       |                   |                          |                   |  |  |
| N        | ame of company   |                                       |                   |                          | Policy number     |  | E  |
| L<br>To  | be replaced by this coverage   | Amount of benefit                     |                   |                          |                   |  |  |
|          | Yes No   | s                                     |                   | Other                    |                   |  |  |
|          | Proposed primary insured   | · · · · · · · · · · · · · · · · · · · | econd insur       |                          |                   |  | ··   |
|          | atus of policy   | When (mm/dd/yyyy)                     | Joona IIIoai      | Type of benefit          |                   |  |  |
|          | Lapsed Applied for In force  |                                       |                   |                          |                   |  |  |
| N.       | ame of company   |                                       |                   |                          | Policy number     | +  |  |
|          | be replaced by this coverage   | Amount of benefit                     |                   |                          |                   |  | •  |
|          | Yes No   | \$ <u> </u>                           |                   | Other                    |                   |  |  |

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| 4. Customize y  | our coverage         |                        |                      |   | ·            |
|---|----------------------|------------------------|----------------------|---|--------------|
| Proposed prima  |                      | erage                  |                      | •                 |              |
| Risk class Preferred Plus   | ☐ Preferred          | ☐ Standard             | ☐ Select I           | ☐ Select II   |              |
| Benefit Period  2 years   | 3 years              | 4 years                | ☐ 5 years            | ☐ 8 years*  | ☐ Lifetime*  |
| Facility Care Daily B   | enefit (choose from  | n \$50-\$500 in increi |                      |   |              |
| Indemnity Benefit O  0% 10% (Monthly Inde   | emnity Benefit)      | ☐ 50% (Month           | nly Indemnity Benefi | enefit (FCDB) to receil<br>it)<br>FCDB cannot exceed \$ | •            |
| Home & Community  | Care Daily Benefit   | □ 130%                 |                      |   |              |
| Elimination Period  7 days  | ☐ 30 days            | ☐ 60 days              | ☐ 90 days            | ☐ 180 days  | ☐ 365 days   |
| Inflation protection  3% Lifetime Com  4% Lifetime Com  5% Lifetime Com   | oound Benefit Increa | ase Rider              |                      | Compound Benefit Inc<br>efit Increase Rider             | rease Rider  |
| Rejection of inflation protection inder (PLEASE READ. You MUST check the box below if you did NOT select an inflation protection inder above.)  By signing this application, I acknowledge by checking this box that I have reviewed the outline of coverage and the graphs that compare the benefits and premiums of the policy with and without inflation protection. Specifically, I have reviewed the 3%, 4%, and 5% Lifetime Compound Benefit Increase Riders, the Two Times Compound Benefit Increase Rider, and the Simple Benefit Increase Rider, and I acknowledge that I reject inflation protection. |                      |                        |                      |   |              |
| Premium payment options (Must select one if an option is not selected, the "Continuous Pay" option will be issued)  Continuous pay  Ten Year Premium Payment Rider*  Paid Up at Age 65 Rider (not available if over age 54)*  |                      |                        |                      |   |              |
| Additional rider bea  |                      | re Elimination Perio   | d Rider (not availat | ble with 180 or 365 da                                  | ay E P)      |
| Additional benefits  Home and Community Care Monthly Benefit*  Calendar Day Elimination Penod  Restoration of Benefits (not available with Lifetime Benefit Penod or Spousal Shared Care Rider)*  |                      |                        |                      |   |              |
| Nonforfeiture nder benefit  |                      |                        |                      |   |              |
| Rejection of nonforfeiture rider benefit (PLEASE READ. You MUST check the box below if you did not select the Shortened Benefit Rider above)  By signing this application, I acknowledge by checking this box that I have reviewed the outline of coverage and the nonforfeiture benefit as described therein. Specifically, I have reviewed the Shortened Benefit Rider, and I acknowledge that I reject such nonforfeiture benefit.   |                      |                        |                      |   |              |
| Return of premium options  Return of Premium Upon Death Benefit  Full Return of Premium Upon Death Benefit  |                      |                        |                      |   |              |
| Name of beneficiar  |                      |                        |                      |   | Relationship |

\*Not available with 100% Indemnity Benefit Option

| 4. Customize you  | ır coverage (co  | ntinued)           |                     |   |                    |
|---|--|--------------------|---------------------|---|--------------------|
| Proposed second insured coverage  |  |                    |                     |   |                    |
| ☐ Spousal Shared Ca<br>☐ Spousal Warver of  | Spousal rider benefits  Spousal Shared Care Rider (the two insureds' plans must be identical and not available with lifetime benefit period)*  Spousal Waiver of Premium Rider  Spousal Survivorship Rider |                    |                     |   |                    |
| Risk class  Preferred Plus  | ☐ Preferred  | ☐ Standard         | ☐ Select I          | Select II                                   |                    |
| Benefit Period  2 years   | ☐ 3 years  | 4 years            | ☐ 5 years           | □ 8 years*                                  | ☐ Lifetime•        |
| Facility Care Daily Bei   |  |                    | •                   |   |                    |
| Indemnity Benefit Opt  0%  10% (Monthly Inden  25% (Monthly Inden   | nnity Benefit)   | 50% (Monthly       | y Indemnity Benefit |   | ,                  |
| Home & Community C  | are Daily Benefit  100%  | □ 130%             |                     |   |                    |
| Elimination Period 7 days   | ☐ 30 days  | ☐ 60 days          | ☐ 90 days           | ☐ 180 days                                  | 1 ☐ 365 days       |
| Inflation protection r  3% Lifetime Compo  4% Lifetime Compo  5% Lifetime Compo   | ound Benefit Increas<br>ound Benefit Increas   | e Rider            |                     | compound Benefit Inco<br>fit Increase Rider | rease Rider        |
| Rejection of inflation protection rider (PLEASE READ. You MUST check the box below if you did NOT select an inflation protection rider above)  By signing this application, I acknowledge by checking this box that I have reviewed the outline of coverage and the graphs that compare the benefits and premiums of the policy with and without inflation protection. Specifically, I have reviewed the 3%, 4%, and 5% Lifetime Compound. Benefit Increase Riders, the Two Times Compound Benefit Increase Rider, and the Simple Benefit Increase Rider, and I acknowledge that I reject inflation protection. |  |                    |                     |   |                    |
| Premium payment opt Continuous pay Ten Year Premium Paid Up at Age 65   | Payment Rider*   | •                  | ot selected, the "C | Continuous Pay" opte                        | on will be issued) |
| Additional rider bene<br>Waiver of Home ar  |  | Elimination Period | Rider (not availab  | le with 180 or 365 da                       | y E P)             |
| Additional benefits  Home and Community Care Monthly Benefit* Calendar Day Elimination Penod Restoration of Benefits (not available with Lifetime Benefit Penod or Spousal Shared Care Rider)*  |  |                    |                     |   |                    |
| Nonforfeiture nder benefit  |  |                    |                     |   |                    |
| Rejection of nonforfeiture rider benefit (PLEASE READ You MUST check the box below if you did not select the Shortened Benefit Rider above.)  By signing this application, I acknowledge by checking this box that I have reviewed the outline of coverage and the nonforfeiture benefit as described therein Specifically, I have reviewed the Shortened Benefit Rider, and I acknowledge that I reject such nonforfeiture benefit   |  |                    |                     |   |                    |
| Return of premium of Return of Premium Full Return of Premi   | Upon Death Benef   |                    |                     |   |                    |
| Name of beneficiary   |  |                    |                     |   | Relationship       |
| *Not available wit  | th 100% Indemi   | nitỳ Benefit Op    | tion                |   | <u>.</u>           |

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| 5. Your premium payment amount                      |   |
|---|---|
| Proposed primary insured                            |   |
| Planned modal premium                               | Frequency (Must select one)   |
| <b>\$</b>   | ☐ Monthly [PAC/EFT] (submit authorization form and 2 months premium) [☐ Monthly List Bill] [☐ Monthly credit card] ☐ Quarterly ☐ Semiannually ☐ Annually      |
| Total amount submitted with application             | If endorsed group   |
| \$  | Group name  |
| Proposed second insured                             | •   |
| Planned modal premium                               | Frequency (Must select one)   |
| \$  | ☐ Monthly [PAC/EFT] (submit authonzation form and 2 months premium). [☐ Monthly List Bill]. [☐ Monthly credit card]. ☐ Quarterly. ☐ Semiannually. ☐ Annually. |
| Total amount submitted with application             |   |
| <u>\$,</u>  |   |
| 6. Special requests                                 |   |
| Proposed primary insured                            |   |
| Date to save age                                    | Special effective date Other  |
|   |   |
| Proposed second insured                             |   |
| Date to save age                                    | Special effective date Other  |
|   |   |
| 7. Payor if other than proposed insu Full name      | red(s)  |
| rui name  |   |
| Relationship to you                                 |   |
|   |   |
| Billing address                                     |   |
|   | State IZID ands   |
| City  | State ZiP code  |
| 8. Designation of third party for prot              | ection against unintended lance   |
|   | least one person, other than myself, to receive notice of possible lapse of this long term care insurance   |
|   | that this notice to my designee will not be given until 30 days after a premium is due and unpaid   |
| Must select one                                     |   |
| ☐ I elect <b>NOT</b> to designate any person to rec |   |
| I elect to designate this person to receive s       | uch notice  |
| Proposed primary insured                            |   |
| Full name of third party designee                   |   |
| Phone number  |   |
|   |   |
| Mailing address                                     |   |
| City  | State ZIP code  |
|   |   |

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| 8. Designation of third party fo   | r protection against uninter  | ided lapse (continued)   |  |  |  |  |  |  |
|--|---|--|--|--|--|--|--|--|
| I understand that I have the right to designate at least one person, other than myself, to receive notice of possible lapse of this long term care insurance policy for nonpayment of premium. I understand that this notice to my designee will not be given until 30 days after a premium is due and unpaid. Must select one |   |  |  |  |  |  |  |  |
| I elect NOT to designate any perso   | n to receive such notice  | I elect the same person as the   | ne primary insured .   |  |  |  |  |  |
| I elect to designate this person to re   | eceive such notice  |  |  |  |  |  |  |  |
| Proposed second insured  |   |  |  |  |  |  |  |  |
| Full name of third party designee  |   |  |  |  |  |  |  |  |
| Phone number   |   |  | ı  |  |  |  |  |  |
| Mailing address  |   |  |  |  |  |  |  |  |
| City   |   | State ZIP code   |  |  |  |  |  |  |
| 9. Medical history - Part I  |   |  |  |  |  |  |  |  |
| If any questions in Part I of the Medical  | history are answered "Yes," please p  | provide details on page 8  | Primary Second<br>Insured Insured<br>YES NO YES NO   |  |  |  |  |  |
| d Requiring any assistance or super  | e, or workers compensation benefits<br>ir, or confined to bed or home?<br>i as a catheter, oxygen equipment, ri   | espirator, or dialysis machine?<br>y from performing any of the followin   |  |  |  |  |  |  |
| 2 Due to any physical or mental condition to act on your behalf?   | ons, has any person or institution eve  | er or currently been authonzed   |  |  |  |  |  |  |
| <ul><li>c Alzheirner's Disease, Organic Brai</li><li>d Parkinson's Disease, Multiple Scle</li></ul>  | drome (AIDS) or AIDS Related Com<br>thntis treated with chronic steroid us  | plex (ARC)?<br>se or gold therapy?<br>nentation, memory loss, or demential<br>or Muscular Dystrophy?   |  |  |  |  |  |  |
|  | ceived medical advice or treatment f<br>Proposed Primary Insured SI = Pr  | for any of the conditions listed below<br>roposed Second Insured )   | , 0000   |  |  |  |  |  |
| PI SI Alcoholism Angina/Chest pain Anxiety disorder Arrhythmia Arteriosclerosis Arthrits Asthria Auto-Immune Disorder Back disorder/surgery Blindness Blood disorders  | PI SI: Cancer Carotid artery disease Chronic bronchitis Circulatory disorder COPD/emphysema Coronary artery disease Crohn's disease or ulcerative colitis Depression Diabetes Drug or substance abuse | PI SI  Epilepsy/seizures  Fibromyalgia Fractures Heart attack Heart disease Hepatitis High blood pressure Joint replacement Lupus Melanoma Mental/nervous disorder | PI SI Neurological disorder  Osteoporosis Pacemaker Penipheral vascular disease Respiratory/Lung disorders Skin ulcers Spine/Back disorders Stroke/CVA Transcient Ischemic Attac |  |  |  |  |  |

| 9. Medical history - Part I (Continued)   |  |
|---|--|
| If any questions in Part I of the Medical history are answered "Yes," please provide details on page 8  | Primary Second<br>Insured Insured<br>YES NO YES NO |
| In the past 10 YEARS, have you been treated by a member of the medical profession or health care professional for any condition not listed previously?  | 0000   |
| 6 In the past 10 YEARS, have you had any episodes of falling, or used a cane, walker, or wheelchair, or been<br>confined to a bed or home?  |  |
| <ul> <li>In the past 12 MONTHS, have you</li> <li>a Been confined to a hospital, nursing home, or sanitarium?</li> <li>b Received home care services, physical therapy, or rehabilitative therapy?</li> <li>c Sought medical advice or treatment for loss of appetite, falling, fainting, problems with balance, dizziness, or detenoration of vision?</li> </ul> |  |
| d Had any surgical procedure or had any surgical procedure recommended or scheduled?  |  |
| 9. Medical history - Part II  |  |
| Physician of proposed primary insured   |  |
| Physician name  |  |
| Phone number (  |  |
| Mailing address   |  |
| City State ZIP code   |  |
| Medical specialist name   | <u></u>  |
|   | a territoria                                       |
| Phone number (  |  |
| Mailing address   |  |
| City State ZIP code   |  |
| Physician of proposed second insured  |  |
| Physician name  |  |
|   | 1  |
| Phone number (  |  |
| Mailing address   |  |
| City   State   ZIP code   | <u> </u>   |
|   |  |
| Medical specialist name   |  |
| Dhana number  | <u> </u>   |
| Phone number (  |  |
| Mailing address   | · · · · · · · · · · · · · · · · · · ·              |
|   |  |
| City State ZIP code ——  |  |

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| 9. Medical history - Part III           |                  |                      |  |          |     |
|---|------------------|----------------------|--|----------|-----|
| Vhat medications, prescription and n    | on-prescription, | are you currently ta | king?                                    |          |     |
| Name of medication                      | Dose             | Frequency            | Condition(s) for which you are taking it | PI       | SI  |
|   |                  |                      |  |          |     |
|   |                  |                      |  |          |     |
|   | -                |                      | <del></del>                              |          |     |
|   |                  |                      |  |          |     |
|   |                  |                      |  |          |     |
|   |                  |                      |  |          |     |
|   |                  |                      |  |          | -   |
|   |                  | <u> </u>             |  |          | 1 ! |
| 9. Medical history - Part IV <i>(</i> ¡ | orovide detai    | ils to any quest     | ions answered "Yes" in Medical history – | Part I)  |     |
|   |                  |                      |  |          |     |
|   |                  |                      |  |          |     |
|   |                  |                      |  |          |     |
|   |                  | <del>-</del>         |  |          |     |
|   |                  |                      |  |          |     |
|   |                  |                      |  |          |     |
| · · · · · · · · · · · · · · · · · · ·   |                  |                      |  |          |     |
|   |                  |                      |  |          |     |
|   |                  |                      |  |          |     |
|   |                  |                      |  |          |     |
|   |                  |                      |  |          |     |
|   |                  |                      |  | <u> </u> |     |
|   |                  |                      |  |          |     |
|   |                  |                      |  |          |     |
|   |                  |                      |  |          |     |
|   |                  |                      |  |          |     |
|   |                  |                      |  |          |     |
| 000                                     |                  |                      |  |          |     |
| Home Office changes to this             | application      |                      |  |          |     |
|   |                  |                      |  |          |     |
|   |                  |                      |  |          |     |
|   |                  |                      |  |          |     |
|   |                  |                      |  |          |     |
|   |                  |                      |  |          |     |

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| 10. Replacement (complete only if replacement is involved  | ved)   |
|--|--|
| By signing this application, I acknowledge that I have received and read   | a copy of the Notice to Applicant Regarding Replacement of Individual            |
| Accident and Sickness or Long Term Care Insurance The "Notice to appreciate the second of the second | ·  |
| - I widdie   | Last   |
|  | <u>`',                                   </u>                                    |
| on (date)  |  |
| Agent first Middle   | Last   |
|  |  |
| Agent address  | ,,,,,,,  |
|  |  |
| City   | State ZIP code   |
|  | <u></u>  |
| 11. Your agreement and acknowledgement   |  |
| <u>-</u>   | that the Company will rely on my written answers to the questions in this        |
|  | may not be valid, subject to the incontestability provision in the policy I also |
| understand that the agent cannot determine eligibility for or alter the term   |  |
| · · · · · · · · · · · · · · · · · · ·  | n Outline of Coverage, Long Term Care Shopper's Guide, Medicare Notice,          |
|  | iudes the Medical Information Bureau Notice and the Notice of Insurance          |
| Information Practices  |  |
| CAUTION - If your responses on this application are incorrect or ur  | strue, the Company may have the right to deny benefits or rescind                |
| your policy, subject to the Incontestability provision in the policy. A  | ny person who knowingly presents a false or fraudulent claim for                 |
| payment of a loss or benefit, or knowingly presents false informati  | on in a application for insurance, is guilty of a crime and may be               |
| subject to fines and confinement in prison   |  |
|  |  |
| The undersigned proposed insured(s) and agent certify that the pro   |  |
|  | nsured(s) realize that any false statement or misrepresentation in this          |
| application may result in loss of coverage under the policy  |  |
| Signed at city   | State  |
|  |  |
| Day Month Year   |  |
|  | 7  |
|  | <u></u>  |
| ,  |  |
| x  | To be answered by licensed resident agent I certify that the                     |
| XProposed primary insured's signature  | statements of the proposed insured(s) have been correctly recorded in            |
| •  | this application. To the best of my knowledge, if the above Section 10           |
|  | (Replacement) is completed, the insurance applied for in this application        |
| XProposed second insured's signature   | will replace existing insurance  |
| Proposed second insured's signature  |  |
|  |  |
|  |  |
| •  |  |
| Writing agent's phone nu   | Imber (  |
|  |  |

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| Ą   | gent  | 's statement  | YES      | NO          |
|-----|-------|---|----------|-------------|
|     |       |   | 120      | 110         |
| 1   | Dıd   | you personally interview the proposed insured(s), ask all the questions and witness the signatures?   |          |             |
| 2   | а     | Did the proposed insured(s) (or their representative) initiate the contact that resulted in this application?   |          |             |
|     | b     | How long have you known the proposed insured(s)?  |          |             |
|     | ¢     | Are you or your spouse related to the proposed insured(s)? If yes, relationship?  |          |             |
| 3   |       | you notice any impairments with regard to walking, talking or any type of tremor or signs of disonentation? ease explain in "REMARKS")  |          |             |
| 4   | or r  | you have reason to believe that any information on this application (whether favorable or unfavorable) might be inaccurate<br>nisleading or do you have any information not disclosed in this application regarding the health, habits, or home<br>roundings of the proposed insured(s) (whether favorable or unfavorable) which might assist in the underwriting decision of<br>application? (Please explain in "REMARKS") |          |             |
| 5   |       | es a Power of Attorney document exist for the proposed insured(s)? Yes," please explain why this agreement has been established in "REMARKS"  |          |             |
| 6   |       | posed Insured(s) type of dwelling  Private Home   |          |             |
| 7   | Indi  | cate the best time of day to contact the proposed insured(s) by telephone   |          |             |
| 8   |       | ent must list all health insurance including long term care policies they have sold to the applicant(s) which are still in force last five years but are no longer in force   | , and w  | ere sold in |
|     | Pro   | posed primary insured   |          |             |
| Sta | tus o | f policy When (mm/dd/yyyy) Type of benefit  | 7——      |             |
|     |       | ed  | <u> </u> |             |
|     |       |   |          |             |
| То  | be re | placed by this coverage Amount of benefit   |          |             |
|     |       | No \$ Other   |          |             |
|     |       | posed primary insured Proposed second insured   |          |             |
|     |       | f policy When (mm/dd/yyyy) Type of benefit ed  Applied for In force   |          |             |
|     |       | f company Policy number   |          |             |
|     |       |   |          |             |
|     |       | placed by this coverage Amount of benefit   |          |             |
|     | Yes   | □ No  \$   Other  |          |             |
| RE  | MARI  | KS  |          |             |
|     |       |   |          |             |
|     |       |   |          |             |
| _   |       |   |          |             |
| _   |       |   |          |             |
|     |       |   |          |             |
|     |       |   |          |             |

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# Allianz Life Insurance Company of North America

Home Office Minneapolis, MN 55416-1297

[PO Box 1292 Minneapolis, MN 55440-1292]

# Application for [Generation Protector II™] Long Term Care Insurance

| Home Office use only Allianz assigned policy number(s) |  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|
| Primary  |  |  |  |  |  |  |  |  |
| Spouse   |  |  |  |  |  |  |  |  |

| Proposed primary insured  Inst   | 1 Tall us about yourself   |
|--|--|
| Inst   | 1. Tell us about yourself  |
| Social Security number   Social Security number   Social Security number   State   ZIP code   State   ZIP code   State   ZIP code   State   State   State   ZIP code   State   | Proposed primary insured   |
| lesidence address    State   ZIP code  | irst Middle Last   |
| lesidence address    State   ZIP code  |  |
| State ZIP code   | Occupation Social Security number  |
| State ZIP code   |  |
| Pay phone number   | Residence address  |
| Pay phone number   |  |
| Age   Gender   Male   Female   | City State ZIP code  |
| Age   Gender   Male   Female   |  |
| Age Gender Male Female  obacco use Nonsmoker of cigarettes in past 24 months Smoker of cigarettes in past 24 months Other tobacco use  lantal status With whom do you currently live? Spouse Alone Other Widowed Divorced Is this person currently covered by an Allianz long term care insurance policy? Yes No  of you currently own an Allianz fixed, universal, term, or variable life insurance policy or annuity contract? Yes No  olicy or contract number  Type of coverage  rist Middle Last  lecupation Social Security number  esidence address   | Pay phone number Best time to call   |
| obacco use Nonsmoker of cigarettes in past 24 months Smoker of cigarettes in past 24 months Other tobacco use    Initial status  |  |
| Marned   Single   Spouse   Alone   Other   | Date of birth (mm/dd/yyyy) Age Gender Male Female  |
| Married   Single   Spouse   Alone   Other  | Tobacco use Nonsmoker of digarettes in past 24 months Smoker of digarettes in past 24 months Other tobacco use   |
| Widowed Divorced Is this person currently covered by an Allianz long term care insurance policy? Yes No lo you currently own an Allianz fixed, universal, term, or variable life insurance policy or annuity contract? Yes No locity or contract number    Type of coverage  |  |
| o you currently own an Allianz fixed, universal, term, or vanable life insurance policy or annuity contract? Yes No olicy or contract number    Type of coverage   |  |
| Type of coverage  Proposed insured spouse  Irst  Cocupation  Social Security number  Lesidence address   | _! Widowed □ Divorced Is this person currently covered by an Allianz long term care insurance policy? □ Yes □ No                                       |
| Proposed insured spouse  Irst  | Do you currently own an Allianz fixed, universal, term, or variable life insurance policy or annuity contract? 🔲 Yes 🔲 No<br>Policy or contract number |
| Irst Middle Last Cocupation Social Secunty number Lesidence address  | Type of coverage   |
| Social Security number  Lesidence address  | Proposed insured spouse  |
| esidence address   | irst Middle Last   |
| esidence address   |  |
|  | Occupation Social Security number  |
|  |  |
| ity State ZIP code   | Residence address  |
| ity State ZIP code   |  |
| The first of the f | City State ZIP code  |
|  |  |
| ay phone number Best time to call    Compared to the control of th |  |
| ate of birth (mm/dd/yyyy) Age Gender Mate Female   | Pate of birth (mm/dd/yyyy) Age Gender Male Female  |
| obacco use Nonsmoker of cigarettes in past 24 months Smoker of cigarettes in past 24 months Other tobacco use  | obacco use  Nonsmoker of cigarettes in past 24 months  Smoker of cigarettes in past 24 months  Other tobacco use                                       |
| The state of the s | Oo you currently own an Allianz fixed, universal, term, or variable life insurance policy or annuity contract?   Yes  No                               |
|  | Policy or contract number  |
| Type of coverage,  | Type of coverage   |

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| 2. Agent information  |  |  |                   |             |           |                |          |         |      |          |          |                 |
|---|--|--|-------------------|-------------|-----------|----------------|----------|---------|------|----------|----------|-----------------|
| First   |  | Middle initial   | Last              |             |           |                |          |         |      |          | -2-4-2-1 |                 |
|   |  |  |                   |             |           |                |          |         |      | _!       |          |                 |
| Phone number  | ·                                      | % Split  | Agent number      | er          |           |                |          |         |      |          |          |                 |
|   |  |  |                   | Ĭ ]         |           |                |          |         |      |          |          |                 |
| First   |  | Middle initial   | Last              | ,           | 1(        | <del></del>    |          |         |      | _,       |          | . <del></del> ; |
|   |  |  |                   |             |           | <u> </u>       | <u> </u> |         |      |          |          |                 |
| Phone number  |  | % Split  | Agent number      | er          | 1         |                |          |         |      |          |          |                 |
|   |  |  |                   |             |           |                |          |         |      |          |          |                 |
| 3. Other insurance informati  | on                                     |  |                   |             |           |                |          |         |      |          |          |                 |
|   |  |  |                   |             |           |                |          |         | Pro  | nary     | İnsı     | ned             |
|   |  |  |                   |             |           |                |          |         |      | red :    |          | use             |
| 4. De vev have another lass town as   |  | anticanta in Cana  | معداد بامعار مما  | ما المحمالة |           |                |          |         | Yes  | No       | Yes      | NO              |
| <ol> <li>Do you have another long term ca<br/>plan contract or a health maintena</li> </ol> |  |  | ce (including     | a nealth    | Servic    | es             |          |         | П    | П        |          | □ '             |
| If "Yes," list details below  | oo organizadon conda                   | ,  |                   |             |           |                |          |         |      |          | _        |                 |
| 2 Did you have another long term ca   | are insurance policy or o              | certificate in fo  | rce during the    | e last 12   | MONT      | H\$?           |          |         |      |          |          |                 |
| If "Yes," list details below  |  |  |                   |             |           |                |          |         | _    |          |          | <u> </u>        |
| 3 Are you currently receiving benefit   |  |  | •                 |             |           |                |          |         |      |          |          |                 |
| 4 Do you intend to replace any of your frage," you MUST complete Sec                        |  | ical, or health  | insurance co      | verage w    | vith this | polic          | y?       |         |      |          |          | □ '             |
| 5 In the past 12 MONTHS, have you   | u been declined by anot                | her company f  | or a policy pr    | oviding (   | nursing   | home           | e care,  |         |      |          | _        |                 |
| long term care, or home health ca   | re?                                    |  |                   |             |           |                |          |         |      |          |          |                 |
| If "Yes," what was the reason for t   | the declination?                       |  |                   |             |           |                |          |         |      |          |          |                 |
| ☐ Proposed primary insured  | l ☐ Proposed in:                       | sured spou   | se                |             |           |                |          |         |      |          |          |                 |
| Status of policy  | When (mm/dd/yyyy)                      |  | Type of ber       | nefit       |           |                |          |         |      |          |          |                 |
| ☐ Lapsed ☐ Applied for ☐ In force   |  |  |                   |             |           | <u>    l</u> ( | <u> </u> |         |      | 0.000    |          |                 |
| Name of company   |  |  | ·                 |             | Polic     | cy nui         | mber     |         | -1   | ·—,,     |          | _,              |
|   |  |  |                   |             |           |                |          |         |      | <u> </u> |          |                 |
| To be replaced by this coverage   | Amount of benefit                      |  |                   |             |           |                |          |         |      |          |          |                 |
| Yes No  | <u> \$ _ _ , </u>                      | _  | Other             |             |           |                |          |         |      |          |          |                 |
| ☐ Proposed primary insured  | Proposed in:                           | sured spou   |                   |             |           | _              |          |         |      |          |          |                 |
| Status of policy  | When (mm/dd/yyyy)                      | JJCJCJ   | Type of ber       | nefit<br>', | 11-       |                |          |         |      | -1       | )——ı     | ,               |
| ☐ Lapsed ☐ Applied for ☐ In force   |  | The second secon |                   |             |           |                | <u> </u> |         |      |          |          |                 |
| Name of company   |  |  |                   |             | Polic     | cy nui         | mber     |         |      |          |          | $\neg$          |
| To be contended by the coverage   | Amount of benefit                      | <u> </u>   |                   | ll          |           |                | _        |         |      | <u> </u> |          |                 |
| To be replaced by this coverage   | \$ .                                   |  | Other             |             |           |                |          |         |      |          |          |                 |
| Yes No  |  |  | Other             | <del></del> | <u> </u>  |                |          |         | ···· |          |          |                 |
| Proposed primary insured Status of policy   | Proposed in:   When (mm/dd/yyyy)       | sured spou   | Se<br>Type of ber | ofit        |           |                |          |         |      |          |          |                 |
| , -   | // // // // // // // // // // // // // |  | Type or ber       |             |           | i.             |          | _)[][   |      | i,       |          |                 |
| □ Lapsed □ Applied for □ In force  Name of company  | <u> :</u>                              | الـــالـــالـــال  |                   | JJL         | Poli      | )<br>Cy nui    | mber     |         |      |          | لبيان    | <u> </u>        |
| - Company   |  |  |                   |             |           |                |          |         |      | i        |          |                 |
| To be replaced by this coverage   | Amount of benefit                      |  | <u> </u>          |             | 1 *       | ·              |          | <u></u> |      | <i>-</i> |          |                 |
| ☐ Yes ☐ No  | \$,                                    |  | Other             |             |           |                |          |         |      |          |          |                 |

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Return to Home Office

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| 4. Choose a benefit package   |   |  |  |  |  |  |
|---|---|--|--|--|--|--|
| Proposed primary insured coverage   |   |  |  |  |  |  |
| Benefit Period 2 years  | ☐ 3 years ☐ 4 years ☐ 5 ye  | ears   |  |  |  |  |
| Facility Care Daily Benefit (choose   | Home & Community Care Daily Benefit   | Elimination Penod  |  |  |  |  |
| from \$50-\$200 in increments of \$10)  | ☐ 70%   | ☐ 90 days  |  |  |  |  |
|   | □ 100%  | ☐ 180 days   |  |  |  |  |
| \$  | □ 130%  | ☐ 365 days   |  |  |  |  |
| Inflation protection riders   |   |  |  |  |  |  |
| 3% Lifetime Compound Benefit Increase Rider   | 4% Lifetime Compound Benefit increase Ride  | er 🔲 5% Lifetime Compound Benefit Increase Rider                                 |  |  |  |  |
| ☐ Two Times Compound Benefit Increase Rider   | Simple Benefit Increase Rider   |  |  |  |  |  |
| Rejection of inflation protection nder (PLEAS)  | E READ. You MUST check the box below if you   | did NOT select an inflation protection rider above.)                             |  |  |  |  |
| benefits and premiums of the policy with an<br>Benefit Increase Riders, the Two Times Cor<br>reject inflation protection  | npound Benefit Increase Rider, and the Simple Bo  | reviewed the 3%, 4%, and 5% Lifetime Compound                                    |  |  |  |  |
| Nonforfeiture nder benefit  | enefit Rider  |  |  |  |  |  |
| Rider above )   | EASE READ. You MUST check the box below   | •  |  |  |  |  |
|   | checking this box that I have reviewed the outline o<br>ened Benefit Rider, and I acknowledge that I reject | f coverage and the nonforfeiture benefit as described such nonforfeiture benefit |  |  |  |  |
| Additional benefits  Home and Community Care Monthly Benefit  | ☐ Calendar Day Elimination Period☐ Restoration of Benefits (not available with Spou                         | ical Sharad Cara Bular)  |  |  |  |  |
| Return of premium options   | <u></u>   |  |  |  |  |  |
| <del></del>   | Return of Premium Upon Death Benefit  | ☐ Full Return of Premium Upon Death Benefit                                      |  |  |  |  |
| Name of beneficiary   |   | Relationship   |  |  |  |  |
| Proposed insured spouse coverage  |   |  |  |  |  |  |
| Spousal rider benefits  |   |  |  |  |  |  |
| Spousal Shared Care Rider (the two insured  | s' plans must be identical)   |  |  |  |  |  |
| Benefit Period 2 years  | ☐ 3 years ☐ 4 years ☐ 5 ye  | ears   |  |  |  |  |
| Facility Care Daily Benefit (choose   | Home & Community Care Daily Benefit   | Elimination Penod  |  |  |  |  |
| from \$50-\$200 in increments of \$10)  | ☐ 70%   | ☐ 90 days  |  |  |  |  |
| <u>'</u>  | <u> 100%</u>  | ☐ 180 days   |  |  |  |  |
| \$  | ☐ 130%  | 365 days   |  |  |  |  |
| Inflation protection riders   |   | □ 53(1 ( )   |  |  |  |  |
| _ '   | <u> </u>  | er   |  |  |  |  |
| Two Times Compound Benefit Increase Rider   |   |  |  |  |  |  |
|   | _   | did NOT select an inflation protection rider above)                              |  |  |  |  |
| By signing this application, I acknowledge by checking this box that I have reviewed the outline of coverage and the graphs that compare the benefits and premiums of the policy with and without inflation protection. Specifically, I have reviewed the 3%, 4%, and 5% Lifetime Compound Benefit Increase Riders, the Two Times Compound Benefit Increase Rider, and the Simple Benefit Increase Rider, and I acknowledge that I reject inflation protection. |   |  |  |  |  |  |
| Nonforfeiture nder benefit  | enefit Rider  |  |  |  |  |  |
| Rejection of nonforfeiture rider benefit (PLE   | EASE READ You MUST check the box below i  | if you did not select the Shortened Benefit                                      |  |  |  |  |
| Rider above.)   |   |  |  |  |  |  |
| By signing this application, I acknowledge by checking this box that I have reviewed the outline of coverage and the nonforfeiture benefit as described therein. Specifically, I have reviewed the Shortened Benefit Rider, and I acknowledge that I reject such nonforfeiture benefit.   |   |  |  |  |  |  |
| Additional benefits   | Calendar Day Elimination Period   | ingli Shared Corn Delark   |  |  |  |  |
| Home and Community Care Monthly Benefit   | Restoration of Benefits (not available with Spou  Return of Premium Upon Death Benefit                      | ☐ Full Return of Premium Upon Death Benefit                                      |  |  |  |  |
| Return of premium options   |   | THE REPORT OF PREMIUM USAN DESTA KENESS  |  |  |  |  |
|   | Tretain of Fremani opon beaut benefit   |  |  |  |  |  |
| Name of beneficiary   | Neturn of Premium Open Death Benefit  | Relationship   |  |  |  |  |

| 5. Your premium payment amount                |  |   |
|---|--|---|
| Proposed primary insured                      |  |   |
| Planned modal premium                         | Frequency (Must select one)  |   |
| \$  | ☐ Monthly [PAC/EF1] (submit authorization form   | m and 2 months premium) [ Monthly List Bill]  |
| Total amount submitted with application       | If employer group  | annually D Annually   |
| \$  | Group number   |   |
| Proposed insured spouse                       |  |   |
| Planned modal premium                         |  |   |
| \$ ,  |  |   |
| 6. Special requests                           | •  |   |
| Proposed primary insured                      |  |   |
| Date to save age                              | Special effective date   | Other   |
| Proposed insured spouse                       | ,  |   |
| Date to save age                              | Special effective date   | Other   |
|   | <u>                                     </u>   |   |
| 7. Payor if other than proposed insu          | red(s)   |   |
| Full name                                     |  |   |
|   |  |   |
| Relationship to you                           |  |   |
| Billing address                               |  |   |
| !!'!City                                      | _:  _ _ _ _  | ZIP code  |
|   | The state of the s |   |
|   |  |   |
| 8. Designation of third party for prot        |  |   |
|   | least one person, other than myself, to receive notice that this notice to my designee will not be given unti-   | ce of possible lapse of this long term care insurance<br>il 30 days after a premium is due and unpaid |
| ☐ I elect NOT to designate any person to rec  | eive such notice   |   |
| I elect to designate this person to receive s | such notice  |   |
| Proposed primary insured                      |  |   |
| Full name of third party designee             |  |   |
| Phone number                                  |  |   |
|   | <del>-</del>   |   |
| Mailing address                               |  |   |
| City  | State  | ZiP code  |
|   |  |   |
|   |  |   |

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| 8. Designation of third party for protect  | ion against unintended lapse (continued)   |
|--|--|
|  | tione person, other than myself, to receive notice of possible lapse of this long term care insurance this notice to my designee will not be given until 30 days after a premium is due and unpaid   |
| ☐ I elect NOT to designate any person to receive   | such notice  |
| I elect to designate this person to receive such   | notice   |
| Proposed insured spouse  |  |
| Full name of third party designee  |  |
| Phone number   | ٩  |
| Mailing address  |  |
| City   | State ZIP code   |
|  |  |
| O Madical history  | <u> </u>   |
| 9. Medical history   | Primary Insured Insured Spouse YES NO YES NO   |
| or treated for, or received medical advice for an  | ed a member of the health care profession regarding, or been diagnosed by of the following conditions?   |
| ALS, amyotrophic lateral scierosis, Lou Gehng's disease Alzheimer's disease Cancer that has spread to other parts of the body, or that is greater than early stage Cerebral atrophy Cerebral palsy Cirrhosis Confusion CREST syndrome CVA/stroke | PI IS  Cystic fibrosis  Dementia  Diabetes treated with insulin, or with complications involving kidneys, nerves, eyes  Hydrocephalus  Kidney failure, renal failure  Memory loss  Mental retardation  Multiple myeloma  Multiple sclerosis  Muscular dystrophy  Myasthenia gravis  Organ transplant  Organic brain syndrome  Parkinson's disease  Post polio syndrome  Psychosis  Schizophrenia  Scleroderma  Scleroderma  Systemic lupus erythematosus, St.E |
|  | Primary Insured Spouse YES NO YES NO YES NO Ondition(s), or have you tested positive for antibodies to the AIDS virus?   |

| 9 | . Medical history for simplified underwriting (Continued)   |                  |                          |
|---|---|------------------|--------------------------|
| 4 | .  Do you currently, or have you within the past 12 MONTHS, used any of the following medical devices?  | Insured          | Insured Spouse YES NO    |
|   | PI IS   | Primar<br>Insure | y Insured Spouse YES NO. |
| 5 | Do you require human assistance or supervision with any of the following activities bathing, dressing, eating, walking, toileting, transferring from bed or chair, controlling bowels or bladder? |                  |                          |
| H | lome Office changes to this application   |                  |                          |
|   |   | -                |                          |
| _ |   |                  | -                        |
| _ |   |                  |                          |
|   |   |                  |                          |
| _ |   |                  |                          |
| _ |   |                  |                          |
| _ |   |                  |                          |
| _ |   |                  |                          |
| _ |   |                  |                          |

| 10. Replacement (complete only if replacement is involved   | /ed)   |
|---|--|
| By signing this application, I acknowledge that I have received and read<br>Accident and Sickness or Long Term Care Insurance The "Notice to app  |  |
| First Middle  | Last   |
|   |  |
| on (date)   |  |
|   |  |
| Agent first Middle  | Last   |
|   |  |
| Agent address   |  |
| <u> </u>  | State ZIP code   |
|   |  |
| 11. Your agreement and acknowledgement  |  |
| AGREEMENT – The answers given are complete and true I understand  | that the Company will rely on my written answers to the questions in this may not be valid, subject to the Incontestability provision in the policy I also as of the proposed policy |
| ACKNOWLEDGEMENT – By signing this application, I acknowledge red<br>Medicare Notice, Potential Rate Increase Disclosure, and Disclosure Sta<br>Notice of Insurance Information Practices  |  |
| CAUTION – If your responses on this application are incorrect or ui   | ntrue, the Company may have the right to deny benefits or rescind  |
| your policy, subject to the Incontestability provision in the policy A  |  |
| payment of a loss or benefit, or knowingly presents false information<br>subject to fines and confinement in prison   | on in a application for insurance, is guilty of a crime and may be   |
| subject to files and confinement in prison  |  |
| The undersigned proposed insured(s) and agent certify that the pro  | posed insured(s) has/have read, or that the agent has read to the  |
|   | nsured(s) realize that any false statement or misrepresentation in this  |
| application may result in loss of coverage under the policy   |  |
| Signed at city  | State  |
|   |  |
| Day Month , Year  |  |
| استها المساليات |  |
| v   | To be annually by hearing manders amount I south that the  |
| XProposed primary insured's signature   | To be answered by licensed resident agent. I certify that the statements of the proposed insured(s) have been correctly recorded in  |
| , reposed primary modele a signature  | this application. To the best of my knowledge, if the above Section 10   |
| <b>Y</b>  | (Replacement) is completed, the insurance applied for in this application will replace existing insurance  |
| Proposed insured spouse's signature   | mir replace existing insurance   |
| Writing agent's signature   |  |
|   |  |
| Writing agent's phone nu  | mber (   |

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| Αç      | ent  | 's statement   |  |          |             |  |
|---------|--|--|--|----------|-------------|--|
|         |  |  |  | YES      | NO          |  |
| 1       | Did  | you personally interview the                                       | proposed insured(s), ask all the questions and witness the signatures?                           |          |             |  |
| 2       | а  | Did the proposed insured(s   | (or their representative) initiate the contact that resulted in this application?                |          |             |  |
|         | b  | How long have you known t  | he proposed insured(s)?  |          |             |  |
|         | С  |  | ted to the proposed insured(s)? If yes, relationship?  |          |             |  |
| 3       | -  |  | with regard to walking, talking or any type of tremor or signs of disonentation?                 |          | _           |  |
| J       |  | ase explain in "REMARKS")  | marrogard to waiting, mining or any type or denies or signs or disorientation.                   |          |             |  |
| 4       | Do you have reason to believe that any information on this application (whether favorable or unfavorable) might be inaccurate or misleading or do you have any information not disclosed in this application regarding the health, habits, or home surroundings of the proposed insured(s) (whether favorable or unfavorable) which might assist in the underwriting decision on this application? (Please explain in *REMARKS*) |  |  |          |             |  |
| 5       |  | <del>-</del>   | nent exist for the proposed insured(s)? agreement has been established in "REMARKS"              |          |             |  |
| 6       |  |  | Apartment Assisted Living Facility Retirement Home Other   |          |             |  |
| 7       | Indi   | cate the best time of day to                                       | contact the proposed insured(s) by telephone   |          |             |  |
| 8       |  | nt must list all health insuran<br>last five years but are no long | ce including long term care policies they have sold to the applicant(s) which are still in force | e, and w | ere sold in |  |
|         | Pro  | oosed primary insured  | ☐ Proposed insured spouse  |          |             |  |
| Sta     | tus o  | f policy   | When (mm/dd/yyyy) Type of benefit  |          | 7 7         |  |
|         |  | ed Applied for In force  |  |          |             |  |
| Nar     | ne o   | company  | Policy number  |          |             |  |
| <u></u> | <u>'</u>   | placed by this coverage  | Amount of benefit  |          |             |  |
|         |  | □ No   |  |          |             |  |
|         |  |  | ,  |          |             |  |
|         |  | posed primary insured f policy                                     | ☐ Proposed insured spouse  When (mm/dd/yyyy) Type of benefit                                     |          |             |  |
|         |  | ed Applied for In force  |  |          |             |  |
|         |  | company  | Policy number  |          |             |  |
| To !    | ne re  | placed by this coverage  | Amount of benefit  |          | !           |  |
|         |  | □ No   | \$, Other  |          |             |  |
| REI     | //ARI  | KS .   |  |          |             |  |
| _       |  |  |  |          |             |  |
| _       |  |  |  |          |             |  |
|         |  |  |  |          |             |  |
|         |  |  |  |          |             |  |
|         |  |  |  |          |             |  |

11-A-SIMP-VA

# Allianz Life Insurance Company of North America

Home Office Minneapolis, MN 55416-1297

[PO Box 1292 Minneapolis, MN 55440-1292]

# Application for [Generation Protector Select™] Long Term Care Insurance

| Home Office use only Allianz assigned policy number(s) |  |  |  |  |  |  |
|--|--|--|--|--|--|--|
| Рлтагу   |  |  |  |  |  |  |
| Second   |  |  |  |  |  |  |

| New application  Existing policy change/reinstatement  Long Term Care                                       | •  |
|---|--|
| Exoting policy ordingerioristatement  |  |
| 1. Tell us about yourself   |  |
| Proposed primary insured  | 11   |
| First Middle  | Last   |
| Occupation  | Social Security number                             |
|   |  |
| Residence address   |  |
|   |  |
| City  | State ZIP code                                     |
| Day phone number Evening phone number   | Best time to call                                  |
| Date of birth (mm/dd/yyyy) Age Gender   | Hought Woods                                       |
| Date of birth (mm/dd/yyyy)  Age  Gender  Male   | Height Weight                                      |
| Tobacco use Nonsmoker of cigarettes in past 24 months Smoker of   | - <del> </del>                                     |
| Mantal status With whom do you currently live?  |  |
| Marned Single Spouse Alone Other  | ng term care insurance policy? Yes No              |
| ☐ Widowed ☐ Drvorced Is this person currently covered by an Allianz lo                                      |  |
| Do you currently own an Allianz fixed, universal, term, or vaniable life insurant Policy or contract number | ce policy or annuity contract? ☐ Yes ☐ No          |
|   |  |
| Type of coverage  |  |
| Proposed second insured   | 1  |
| First Middle  |  |
|   |  |
| Occupation  | Social Security number                             |
| Residence address   |  |
| Residence address   |  |
| City  | State ZIP code                                     |
|   |  |
| Day phone number Evening phone number   | Best time to call                                  |
|   |  |
| Date of birth (mm/dd/yyyy) Age Gender   | Height Weight                                      |
|   | male     _   bs                                    |
| Tobacco use Nonsmoker of cigarettes in past 24 months Smoker of   | agarettes in past 24 months  Other tobacco use     |
| Do you currently own an Allianz fixed, universal, term, or variable life insurance                          | ce policy or annuity contract? Yes \( \square\) No |
| Policy or contract number   |  |
| Type of coverage  | t/c/poness   |

[(5/2006)] 

| 2. Agent information   |                                       |  |                          |                   |                   |
|--|---------------------------------------|--|--------------------------|-------------------|-------------------|
| First  |                                       | Middle initial                         | Last                     |                   |                   |
|  |                                       |  |                          |                   |                   |
| Phone number   |                                       | % Split                                | Agent number             |                   |                   |
|  |                                       | Middle                                 |                          |                   |                   |
| First  | L <sub>1</sub>                        | Middle initial                         | Last                     |                   |                   |
| Phone number   |                                       | % Split                                | Agent number             |                   |                   |
|  |                                       |  |                          |                   |                   |
| 3. Other insurance informati                                       | on                                    |  |                          |                   |                   |
|  |                                       |  |                          |                   | Primary , Insured |
|  |                                       |  |                          |                   | Insured Second    |
|  |                                       |  |                          |                   | Yes No Yes No     |
| 1 Do you have another long term ca                                 |                                       |  | ce (including a health s | services          |                   |
| plan contract or a health maintena<br>If "Yes," list details below | nce organization contra               | ct) <sup>7</sup>                       |                          |                   | ח ח,ח ח           |
| 2 Did you have another long term ca                                | ere insurance noticy or o             | ertificate in fo                       | rce duana the last 12 k  | MONTHS?           |                   |
| If "Yes," list details below                                       | ire insurance policy or c             | or unocito in 10                       | Too during the last 12 h | ion in the second |                   |
| 3 Are you currently receiving benefit                              | s from a state assistanc              | ce program (M                          | edicaid)?                |                   |                   |
| 4 Do you intend to replace any of yo                               | our long term care, med               | ical, or health                        | insurance coverage wit   | h this policy?    |                   |
| If "Yes," you MUST complete Sect                                   | ion 10 (Replacement)                  |  |                          |                   | ;                 |
| 5 In the past 12 MONTHS, have you                                  |                                       | her company f                          | or a policy providing nu | irsing home care, |                   |
| long term care, or home health car                                 |                                       |  |                          |                   |                   |
| If "Yes," what was the reason for t                                | he declination?                       |  |                          |                   | le 41             |
|  |                                       |  |                          |                   |                   |
|  |                                       |  |                          |                   |                   |
| ☐ Proposed primary insured Status of policy                        | ☐ Proposed se<br>When (mm/dd/yyyy)    | cond insur                             | ed<br>Type of benefit    |                   |                   |
| , ,  | / / / / / / / / / / / / / / / / / / / |  | Type of benefit          |                   |                   |
| □ Lapsed □ Applied for □ In force Name of company                  |                                       | الــــــــــــــــــــــــــــــــــــ | <u> </u>                 | Policy number     |                   |
| Traile of company  |                                       |  |                          |                   |                   |
| To be replaced by this coverage                                    | Amount of benefit                     |  |                          |                   |                   |
| · · · · · ·  | \$                                    |  | Other                    |                   |                   |
| Yes No   | •                                     |  |                          |                   |                   |
| Proposed primary insured Status of policy                          | ☐ Proposed se<br>When (mm/dd/yyyy)    | cond insur                             | ed Type of benefit       |                   |                   |
| • •  | / / / / /                             |  | Type of beliefit         |                   |                   |
| Lapsed Applied for In force Name of company                        |                                       | السالا                                 |                          | Policy number     |                   |
|  |                                       |  |                          |                   | 1,                |
| To be replaced by this coverage                                    | Amount of benefit                     | ¬—                                     | ,                        |                   |                   |
| ☐ Yes ☐ No   | \$                                    |  | Other                    |                   |                   |
| ☐ Proposed primary insured   |                                       | cond insur                             |                          |                   |                   |
| Status of policy   | When (mm/dd/yyyy)                     | 7(                                     | Type of benefit          |                   |                   |
| ☐ Lapsed ☐ Applied for ☐ In force                                  |                                       |  |                          |                   |                   |
| Name of company  |                                       |  |                          | Policy number     |                   |
| To be replaced by this coverage                                    | Amount of benefit                     |  |                          | [ <u>!!!!-</u>    |                   |
| Yes No   | s .                                   |  | Other                    |                   |                   |
| □ 1e9 □ 140  | Ψ'                                    | 'L !                                   | Oulei                    | <u></u>           |                   |

| 4. Choose a benefit package   |   |  |
|---|---|--|
| Proposed primary insured coverage   |   |  |
| Risk class Preferred Plus Preferred Sta   | ndard   | Benefit Period   |
| ☐ Select I ☐ Select II  |   | ☐ 3 years ☐ 4 years ☐ 5 years  |
| Facility Care Daily Benefit (choose from \$50-\$500 in in   | crements of \$10)   |  |
|   | \$  |  |
| Inflation protection riders   | 161   |  |
| ☐ 3% Lifetime Compound Benefit Increase Rider ☐ 4% ☐ Two Times Compound Benefit Increase Rider ☐ Sim                                | Litetime Compound Benefit increase                                  | Rider 15% Lifetime Compound Benefit Increase Rider                             |
|   | 1   | and NOT release an inflation material and a decide and                         |
| Rejection of inflation protection rider (PLEASE READ.   | •   | •  |
| <ul> <li>By signing this application, I acknowledge by checking<br/>benefits and premiums of the policy with and without</li> </ul> |   | ive reviewed the 3%, 4%, and 5% Lifetime Compound                              |
| Benefit Increase Riders, the Two Times Compound B   |   |  |
| reject inflation protection   | ·   |  |
| Nonforfeiture nder benefit  | der   |  |
| Rejection of nonforfeiture rider benefit (PLEASE RE   | AD. You MUST check the box bel                                      | ow if you did not select the Shortened Benefit                                 |
| Rider above)  |   |  |
| By signing this application, I acknowledge by checking<br>therein Specifically, I have reviewed the Shortened Ber                   |   |  |
| Benefit packages (Must select one)  | ione rador, and radiomouge dident                                   | Joseph Homonettale Design  |
|   | kage B  | ☐ Package C  |
| 70% Home and Community Care Daily Benefit 100   | % Home and Community Care Daily I                                   | Benefit 130% Home and Community Care Daily Benefit                             |
|   | calendar day Elimination Period                                     | 90-calendar day Elimination Penod  |
| Hol   | ne and Community Care Monthly Ben                                   | Fit Home and Community Care Monthly Benefit<br>25% Monthly Indemnity Benefit   |
| Name of beneficiary   |   | Relationship   |
| Trains of beneficially  |   | Kelationship   |
| Proposed second insured coverage  |   |  |
| Spousal rider benefits  |   |  |
| Spousal Shared Care Rider (the two insureds' plans  | must be identical)  | ,  |
| Risk class Preferred Plus Preferred Sta   | ·····   | Benefit Period   |
| Select I Select II  |   | □ 3 years □ 4 years □ 5 years  |
| Facility Care Daily Benefit (choose from \$50-\$500 in in   | crements of \$10)   | 1  |
|   | <u> </u>  |  |
| Inflation protection riders ☐ 3% Lifetime Compound Benefit Increase Rider ☐ 4%  | Lifetime Compound Reposit Increase                                  | Pider T 59/ Lifetime Compound Reposit Increase Pider                           |
|   | ple Benefit Increase Rider  | Rider LI 5% Lifetime Compound benefit increase Rider                           |
|   | ·   | ou did NOT select an inflation protection rider above.)                        |
| By signing this application, I acknowledge by checking  | •   | •  |
|   |   | ve reviewed the 3%, 4%, and 5% Lifetime Compound                               |
| Benefit Increase Riders, the Two Times Compound 8   |   |  |
| reject inflation protection   |   | Î  |
| Nonforfeiture nder benefit Shortened Benefit Ric  |   |  |
| Rejection of nonforfeiture inder benefit (PLEASE RE   | AD You MUST check the box bel                                       | ow if you did not select the Shortened Benefit                                 |
| Rider above )   | this boy that I have reviewed the cutting                           | ne of coverage and the nonforfeiture benefit as described                      |
| therein Specifically, I have reviewed the Shortened Bei   |   |  |
| Benefit packages (Must select one)  |   | -  |
| ☐ Package A ☐ Package A   | kage B  | ☐ Package C  |
|   | % Home and Community Care Daily E                                   |  |
|   | calendar day Elimination Penod<br>ne and Community Care Monthly Ben | 90-calendar day Elimination Period Fit Home and Community Care Monthly Benefit |
| i   | no and outilinality odio monthly och                                | 25% Monthly Indemnity Benefit  |
| Name of beneficiary   |   | Relationship   |
|   |   |  |
|   |   |  |

| 5. Your premium payment amount                      |  |   |  |  |  |  |
|---|--|---|--|--|--|--|
| Proposed primary insured                            |  |   |  |  |  |  |
| Planned modal premium                               | Frequency (Must select one)  | and Constitution and All Market Lat Diff  |  |  |  |  |
| \$  | <ul> <li>Monthly [PAC/EFT] (submit authorization form</li> <li>Monthly credit card] □ Quarterly □ Semia</li> </ul>                     |   |  |  |  |  |
| Total amount submitted with application             | f endorsed group   |   |  |  |  |  |
| \$  | Group name   |   |  |  |  |  |
| Proposed second insured                             |  | ,   |  |  |  |  |
| Planned modal premium                               | Frequency (Must select one)  | _   |  |  |  |  |
| \$  | <ul> <li>Monthly [PAC/EFT] (submit authorization form</li> <li>Monthly credit card]</li> <li>Quarterly</li> <li>Semidential</li> </ul> | n and 2 months premium) [ Monthly List Bill]<br>annually Annually                                     |  |  |  |  |
| Total amount submitted with application             |  |   |  |  |  |  |
| \$  |  |   |  |  |  |  |
| 6. Special requests                                 |  |   |  |  |  |  |
| Proposed primary insured                            |  |   |  |  |  |  |
| Date to save age                                    | Special effective date   | Other   |  |  |  |  |
| Proposed second insured                             |  | ,   |  |  |  |  |
| Date to save age                                    | Special effective date   | Other   |  |  |  |  |
|   |  |   |  |  |  |  |
| 7. Payor if other than proposed insu                | ed(s)  |   |  |  |  |  |
| Full name   |  |   |  |  |  |  |
|   |  |   |  |  |  |  |
| Relationship to you                                 |  |   |  |  |  |  |
| Billing address                                     |  |   |  |  |  |  |
| City  | State  | ZIP code  |  |  |  |  |
|   |  |   |  |  |  |  |
| 8. Designation of third party for prot              | ection against unintended lapse  |   |  |  |  |  |
|   | east one person, other than myself, to receive notice<br>hat this notice to my designee will not be given unti-                        | ce of possible lapse of this long term care insurance<br>al 30 days after a premium is due and unpaid |  |  |  |  |
| ☐ I elect <b>NOT</b> to designate any person to rec | erve such notice   |   |  |  |  |  |
| ☐ I elect to designate this person to receive s     | uch notice   |   |  |  |  |  |
| Proposed primary insured                            |  |   |  |  |  |  |
| Full name of third party designee                   |  |   |  |  |  |  |
|   | <u>'</u>   |   |  |  |  |  |
| Phone number  (                                     | ]  |   |  |  |  |  |
| Mailing address                                     |  |   |  |  |  |  |
|   | <u> </u>   |   |  |  |  |  |
| City  | State  | ZIP code  |  |  |  |  |
|   |  |   |  |  |  |  |

11-A-SEL-FULL-VA

Return to Home Office

[(5/2006)]

| 8.      | 8. Designation of third party for protection against unintended lapse (continued)  |  |   |                                       |                               |                   |  |  |
|---------|--|--|---|---------------------------------------|-------------------------------|-------------------|--|--|
| poli    | I understand that I have the right to designate at least one person, other than myself, to receive notice of possible lapse of this long term care insurance policy for nonpayment of premium. I understand that this notice to my designee will not be given until 30 days after a premium is due and unpaid. Must select one |  |   |                                       |                               |                   |  |  |
|         | I elect NOT to designate any person  | on to receive such notice  | I elect the same person as t            | he prima                              | ry insured                    |                   |  |  |
|         | I elect to designate this person to  | receive such notice  |   |                                       |                               |                   |  |  |
| Pre     | oposed second insured  |  |   |                                       |                               |                   |  |  |
| Ful     | I name of third party designee   |  |   | · · · · · · · · · · · · · · · · · · · |                               |                   |  |  |
|         |  |  |   |                                       |                               |                   |  |  |
|         | ove unwpet   |  |   | <u>.</u>                              |                               |                   |  |  |
| Ma      | iling address  |  |   |                                       |                               |                   |  |  |
| City    |  |  | State ZIP code                          |                                       |                               |                   |  |  |
| <u></u> |  |  |   |                                       |                               |                   |  |  |
| 9.      | Medical history - Part I   |  |   |                                       |                               |                   |  |  |
| lf a    | ny questions in Part I of the Medical  | history are answered "Yes," please                                     | provide details on page 7               |                                       | • į                           | Second            |  |  |
|         |  |  |   |                                       | Insured YES NO N              | Insured<br>(ES NO |  |  |
|         | In the past 6 MONTHS, or are you c   |  |   |                                       |                               |                   |  |  |
|         | <ul> <li>Receiving disability, long term car</li> <li>Using a cane, walker or wheelcha</li> </ul>  |  | ;?                                      |                                       |                               |                   |  |  |
|         | _  | h as a catheter, oxygen equipment, r                                   | espirator, or dialysis machine?         |                                       |                               |                   |  |  |
|         |  |  | ty from performing any of the following | ng                                    |                               |                   |  |  |
| 'n      | daily activities leating, bathing, dr<br>Due to any physical or mental conditi   | ressing, toileting, bladder control, box                               | · •                                     |                                       |                               |                   |  |  |
|         | to act on your behalf?   | ons, has any person or institution eve                                 | i or correllay been authorized          |                                       |                               |                   |  |  |
|         |  | ated by a member of the medical pro                                    | ofession or a health care professional  |                                       |                               |                   |  |  |
|         | for any of the following conditions  a Acquired Immune Deficiency Syn  | drome (AIDS) or AIDS Related Com                                       | inlex (ARC)?                            |                                       |                               |                   |  |  |
|         | b Diabetes treated with insulin or ai  | rthntis treated with chronic steroid us                                | se or gold therapy?                     |                                       |                               |                   |  |  |
| 1       |  |  | mentation, memory loss, or demential    | ?                                     |                               |                   |  |  |
|         |  | erosis, ALS (Lou Gehng's Disease),<br>XOPD/emphysema with continued sn |   |                                       |                               |                   |  |  |
|         | or unoperated aneurysm?  |  | ,,                                      |                                       |                               |                   |  |  |
| 4       |  |  | or any of the conditions listed below   | 7                                     |                               |                   |  |  |
|         |  | Proposed Primary Insured SI = Pr                                       |   | r-,                                   |                               |                   |  |  |
|         | PI SI Alcoholism   | PI SI: Cancer  | PI  SI                                  | PI SI                                 | Neurological disc             | pedoe             |  |  |
|         | Angina/Chest pain  | ☐ ☐ Carotid artery disease   | ☐ ☐ Fibromyalgia                        |                                       | Osteoporosis                  | Jidei             |  |  |
|         | Anxiety disorder   | Chronic bronchitis   | ☐ ☐ Fractures                           |                                       | Pacemaker                     |                   |  |  |
|         | ☐ ☐ Arrhythmia ☐ ☐ Artenosclerosis   | ☐ ☐ Circulatory disorder ☐ ☐ COPD/emphysema                            | ☐ ☐ Heart attack ☐ ☐ Heart disease      |                                       | Peripheral vascu<br>disease   | ılar              |  |  |
|         | Arthritis  | Coronary artery disease  | Hepatitus                               |                                       | Respiratory/Lung              | disorders         |  |  |
|         | □ □ Asthma   | ☐ ☐ Crohn's disease or   | ☐ ☐ High blood pressure                 |                                       | Skin ulcers                   |                   |  |  |
|         | Auto-Immune Disorder Back disorder/surgery   | ulcerative colitis  Depression   | ☐ ☐, Joint replacement☐ ☐ Lupus         |                                       | Spine/Back diso<br>Stroke/CVA | rders             |  |  |
|         | Blindness  | ☐ ☐ Diabetes   | ☐ ☐ Melanoma                            |                                       | Transcient Ische              | mic Attack        |  |  |
|         | □ □ Blood disorders  | ☐ ☐ Drug or substance abuse  | ☐ ☐ Mental/nervous disorder             |                                       | Urinary incontine             |                   |  |  |
|         |  |  |   |                                       |                               |                   |  |  |

| 9. Medical history - Part I (Continued)  | · <del>-</del>   |
|--|--|
| If any questions in Part I of the Medical history are answered "Yes," please provide details on page 7   | Primary Second Insured YES NO YES NO   |
| In the past 10 YEARS, have you been treated by a member of the medical profession or health care professional for any condition not listed previously?   |  |
| 6 In the past 10 YEARS, have you had any episodes of falling, or used a cane, walker, or wheelchair, or been   |  |
| confined to a bed or home?   |  |
| <ul> <li>In the past 12 MONTHS, have you</li> <li>a Been confined to a hospital, nursing home, or sanitarium?</li> <li>b Received home care services, physical therapy, or rehabilitative therapy?</li> <li>c Sought medical advice or treatment for loss of appetite, falling, fainting, problems with balance, dizziness, or deterioration of vision?</li> <li>d Had any surgical procedure or had any surgical procedure recommended or scheduled?</li> </ul> |  |
| 9. Medical history - Part II   | • ]  |
| Physician of proposed primary insured  |  |
| Physician name   |  |
| Phone number ( '   |  |
| Mailing address  |  |
| City State ZIP code  |  |
| Medical specialist name  | to the state of th |
| Phone number ( )— ( )— ( )— ( )— ( )— ( )— ( )— ( )  |  |
| Mailing address  |  |
|  |  |
| City State ZIP code  |  |
| Physician of proposed second insured   |  |
| Physician name   |  |
|  |  |
| Phone number  (  |  |
| Mailing address  |  |
|  | 77 100 100 100 100 100 100 100 100 100 1   |
| City State ZIP code  |  |
| Medical specialist name  |  |
| Wedical specialist halife  |  |
| Phone number   |  |
|  |  |
| Mailing address  |  |
| City State ZIP code  |  |
|  |  |

| 9. Medical history - Part III          |                  |                   |  |             |    |
|--|------------------|-------------------|--|-------------|----|
| What medications, prescription and no  | on-prescription, | are you currently | y takıng?  |             |    |
| Name of medication                     | Dose             | Frequency         | Condition(s) for which you are taking it           | PI          | SI |
|  |                  |                   |  |             |    |
|  |                  |                   |  | $\top$      |    |
|  |                  |                   |  |             |    |
|  |                  |                   | ***  |             |    |
|  |                  |                   |  |             |    |
|  |                  |                   |  |             |    |
|  |                  |                   |  | П           |    |
|  |                  | <del>   </del>    |  | 1. —_       |    |
| 9. Medical history - Part IV (p        | provide detai    | ils to any que    | estions answered "Yes" in Medical history – Part I | )           |    |
|  |                  |                   |  |             |    |
|  |                  |                   |  |             |    |
|  |                  |                   |  |             |    |
|  |                  |                   |  |             |    |
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|  | •                |                   |  |             |    |
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| ************************************** |                  |                   |  |             |    |
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|  |                  |                   |  |             |    |
|  |                  |                   |  |             |    |
|  |                  |                   |  | <del></del> |    |
| Home Office changes to this            | application      |                   |  |             |    |
| Home Office changes to this            | application      |                   |  |             |    |
|  | -                |                   |  |             |    |
|  | ·-·              |                   |  |             |    |
|  |                  |                   |  |             |    |
|  |                  |                   |  |             |    |
|  |                  |                   |  |             |    |

| 10. Replacement (complete only if replacement is involved  | ved)   |
|--|--|
| By signing this application, I acknowledge that I have received and read                         | a copy of the Notice to Applicant Regarding Replacement of Individual            |
| Accident and Sickness or Long Term Care Insurance The "Notice to app                             | blicant" was delivered to (printed name of proposed insured)                     |
| First Middle   | Last   |
|  |  |
| on (date)  |  |
|  |  |
| Agent first Middle   | Last   |
| Agent address  |  |
|  |  |
| City   | State ZIP code   |
| 11. Your agreement and acknowledgement   |  |
|  |  |
|  | that the Company will rely on my written answers to the questions in this        |
|  | may not be valid, subject to the Incontestability provision in the policy I also |
| understand that the agent cannot determine eligibility for or alter the term                     |  |
|  | n Outline of Coverage, Long Term Care Shopper's Guide, Medicare Notice,          |
| Potential Rate Increase Disclosure, and Disclosure Statement, which inc<br>Information Practices | cludes the Medical Information Bureau Notice and the Notice of Insurance         |
| CAUTION - If your responses on this application are incorrect or ur                              | ntrue, the Company may have the right to deny benefits or rescind                |
| your policy, subject to the Incontestability provision in the policy. A                          |  |
| payment of a loss or benefit, or knowingly presents false information                            |  |
| subject to fines and confinement in prison   |  |
|  |  |
| The undersigned proposed insured(s) and agent certify that the pro-                              |  |
|  | nsured(s) realize that any false statement or misrepresentation in this          |
| application may result in loss of coverage under the policy                                      |  |
| 0  | l ou to  |
| Signed at city   | State  |
|  |  |
| Day Month Year   |  |
|  |  |
|  |  |
|  |  |
| XProposed primary insured's signature  | To be answered by licensed resident agent I certify that the                     |
| Proposed primary insured's signature   | statements of the proposed insured(s) have been correctly recorded in            |
|  | this application. To the best of my knowledge, if the above Section 10           |
|  | (Replacement) is completed, the insurance applied for in this application        |
| XProposed second insured's signature   | will replace existing insurance  |
| Proposed second insured's signature  |  |
| Writing agent's signature  | 9  |
|  | (  |
| Writing agent's phone nu   |  |

| A   | gent's statement   |                 |              |
|-----|--|-----------------|--------------|
|     |  | YES             | NO           |
| 1   | Did you personally interview the proposed insured(s), ask all the questions and witness the signatures?  |                 |              |
| 2   | a Did the proposed insured(s) (or their representative) initiate the contact that resulted in this application?  |                 |              |
|     | b How long have you known the proposed insured(s)?   |                 |              |
|     | c Are you or your spouse related to the proposed insured(s)? If yes, relationship?   | 🗀               |              |
| 3   | Did you notice any impairments with regard to walking, talking or any type of tremor or signs of disonentation? (Please explain in "REMARKS")  |                 |              |
| 4   | Do you have reason to believe that any information on this application (whether favorable or unfavorable) might be into it misleading or do you have any information not disclosed in this application regarding the health, habits, or home surroundings of the proposed insured(s) (whether favorable or unfavorable) which might assist in the underwriting detthis application? (Please explain in "REMARKS")  |                 |              |
| 5   | Does a Power of Attorney document exist for the proposed insured(s)?  If "Yes," please explain why this agreement has been established in "REMARKS"  |                 |              |
| 6   | Proposed Insured(s) type of dwelling  Private Home Apartment Assisted Living Facility  Nursing Facility Other  |                 |              |
| 7   | Indicate the best time of day to contact the proposed insured(s) by telephone  | <u>_</u>        |              |
| 8   | Agent must list all health insurance including long term care policies they have sold to the applicant(s) which are still the last five years but are no longer in force   | in force, and w | rere sold in |
|     | Proposed primary insured Proposed second insured   |                 |              |
|     | atus of policy When (mm/dd/yyyy) Type of benefit   |                 |              |
|     | ame of company Policy number   |                 |              |
| To  | be replaced by this coverage Amount of benefit   |                 | <u></u>      |
|     | Yes No \$ Other  |                 |              |
|     | Proposed primary insured  Proposed second insured  |                 |              |
|     | atus of policy   When (mm/dd/yyyy)   Type of benefit   Lapsed   Applied for   In force   |                 |              |
| Na  | me of company Policy number  |                 |              |
| To  | be replaced by this coverage Amount of benefit   |                 |              |
|     | Yes No Store |                 |              |
|     | MARKS  |                 |              |
| _   |  |                 |              |
| 11- | -A-SEL-FULL-VA Return to Home Office   |                 | [(5/2006)    |

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# Allianz Life Insurance Company of North America

Home Office Minneapolis, MN 55416-1297

[PO Box 1292 Minneapolis, MN 55440-1292]

Home Office use only Allianz assigned policy number(s) Primary Application for [Generation Protector Select™] Spouse

| Proposed primary insured  Inst   |
|--|
| Age Gender Male Female   |
| Social Security number  lesidence address  State ZIP code  Say phone number Evening phone number Best time to call  late of birth (mm/dd/yyyy) Age Gender Male Female  |
| lesidence address  State ZIP code  lay phone number Evening phone number  Best time to call  an pm  Pate of birth (mm/dd/yyyy) Age Gender Male Female  |
| lesidence address  State Z!P code  lay phone number Evening phone number  Best time to call  an pm  Pate of birth (mm/dd/yyyy) Age Gender Male Female  |
| State Z!P code    Syening phone number   Evening phone number   Best time to call   a m   p m  |
| State Z!P code    State   State   Z!P code   |
| Septime to call   Septime to |
| Syening phone number   Evening phone number   Best time to call  |
| ate of birth (mm/dd/yyyy) Age Gender Male Female   |
| ate of birth (mm/dd/yyyy) Age Gender Male Female   |
| Pate of birth (mm/dd/yyyy) Age Gender Male Female  |
| Male   Female  |
|  |
| obacco use 🔲 Nonsmoker of cigarettes in past 24 months 🔲 Smoker of cigarettes in past 24 months 🔲 Other tobacco use  |
| fantal status With whom do you currently live?   |
| Married ☐ Single ☐ Spouse ☐ Alone ☐ Other  |
| ☐ Widowed ☐ Divorced Is this person currently covered by an Altianz long term care insurance policy? ☐ Yes ☐ No  |
| lo you currently own an Allianz fixed, universal, term, or vanable life insurance policy or annuity contract?   Yes  No  |
| olicy or contract number   |
| Type of coverage   |
| Proposed insured spouse  |
| irst Middle Last   |
|  |
| Occupation Social Security number  |
|  |
| esidence address   |
|  |
| ity State ZIP code '   |
|  |
| ay phone number Best time to call  |
|  |
| ate of birth (mm/dd/yyyy) Age Gender Male Female   |
| obacco use 🔲 Nonsmoker of cigarettes in past 24 months 🗀 Smoker of cigarettes in past 24 months 🗀 Other tobacco use  |
| o you currently own an Allianz fixed, universal, term, or variable life insurance policy or annuity contract?   Yes  No  |
| olicy or contract number   |
| Type of coverage   |

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| 2. Agent information   |  |   |                          |                   |  |    |          |          |
|--|--|---|--------------------------|-------------------|--|----|----------|----------|
| First  |  | Middle initial                          | Last                     |                   | . — / — — —  | _, |          | _        |
|  |  |   |                          |                   |  |    |          |          |
| Phone number   | <del></del>                                  | % Splrt                                 | Agent number             |                   |  |    |          |          |
|  |  |   |                          | ,                 |  |    |          |          |
| First  |  | Middle initial                          | Last                     |                   |  |    |          |          |
| Phone number   |  | % Split                                 | Agent number             |                   |  |    |          |          |
| (  |  |   |                          |                   |  |    |          |          |
| 3. Other insurance informati   | on   | . <u></u>                               |                          |                   |  |    |          |          |
|  |  |   |                          |                   |  | •  |          | ured     |
|  | 1  |   |                          |                   |  |    | • -      | use      |
| 4. Do you have another long torm of                                      | re maneses solver or e                       | achtianta la faci                       | ee (realisation a boottb | 0.00,1000         | tes  | NO | tes      | No       |
| 1 Do you have another long term ca<br>plan contract or a health maintena |  |   | ce (including a nealth   | services          | П  | П  | П        |          |
| If "Yes," list details below   |  | ,                                       |                          |                   | _  | _  |          | _ ;      |
| 2 Did you have another long term ca<br>If "Yes," list details below      | are insurance policy or c                    | certificate in fo                       | rce during the last 12   | MONTHS?           |  |    |          |          |
| 3 Are you currently receiving benefit                                    | ts from a state assistant                    | ce program (M                           | edicaid)?                |                   |  |    |          |          |
| 4 Do you intend to replace any of you                                    |  |   | •                        | th this policy?   |  |    |          |          |
| If "Yes," you MUST complete Sec  | , , , , ,                                    |   |                          |                   |  |    |          |          |
| 5 In the past 12 MONTHS, have you long term care, or home health ca      |  | her company f                           | or a policy providing n  | ursing home care, |  |    | i        |          |
| If "Yes," what was the reason for t                                      | the declination?                             |   |                          |                   |  |    | <u></u>  | لت       |
|  |  |   |                          |                   |  |    |          |          |
| □ Proposed primary insured   |  | sured spou                              |                          |                   |  |    |          |          |
| Status of policy   | When (mm/dd/yyyy)                            | <u> </u>                                | Type of benefit          |                   | <del>)</del>   | ا  |          |          |
| □ Lapsed □ Applied for □ In force  | <u>                                     </u> | الالالا                                 |                          |                   | ــالـــالـــالـــالـــالــــالــــالــــالــــالـــــالـــــالــــــ | Щ  | نـــالـ  |          |
| Name of company  |  |   |                          | Policy number     |  |    |          | $\neg$   |
| To be replaced by this coverage  | Amount of benefit                            |   |                          |                   |  |    | <u> </u> |          |
|  |  |   | A.I.                     |                   |  |    |          |          |
| Yes No   | [\$ ,  | <u></u>                                 | Other                    |                   |  |    |          |          |
| ☐ Proposed primary insured   |  | sured spou                              |                          |                   |  |    |          |          |
| Status of policy   | When (mm/dd/yyyy)                            |   | Type of benefit          |                   |  |    |          |          |
| Lapsed Applied for In force  |  | الــالــالــا                           |                          | Delen enebee      |  | !L | ]        | <u> </u> |
| Name of company  |  |   |                          | Policy number     |  |    |          | $\neg$   |
| To be replaced by this coverage  | Amount of benefit                            | <u> </u>                                |                          |                   |  |    |          |          |
| Yes No   |  | B S S S S S S S S S S S S S S S S S S S | Other                    |                   |  |    |          |          |
|  |  |   | Other                    |                   |  |    |          |          |
| ☐ Proposed primary insured Status of policy                              | Proposed in: When (mm/dd/yyyy)               | surea spou                              | Type of benefit          |                   |  |    |          |          |
| □ Lapsed □ Applied for □ In force  |  |   |                          | 1                 |  |    |          |          |
| Name of company  | <u> </u>                                     |   | السالسائيسالسا           | Policy number     | ·  |    | لــــا   |          |
|  |  |   |                          |                   |  |    |          | ]        |
| To be replaced by this coverage  Yes No                                  | Amount of benefit                            |   | Other                    |                   |  |    |          |          |
|  |  |   |                          |                   |  |    |          |          |

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| 4. Choose a benefit package   |   |   |  |  |  |  |
|---|---|---|--|--|--|--|
| Proposed primary insured coverage   |   |   |  |  |  |  |
| Benefit Period  | 4 years   |   |  |  |  |  |
| Facility Care Daily Benefit (choose from \$50-\$200   | in increments of \$10)  |   |  |  |  |  |
| Inflation protection riders  3% Lifetime Compound Benefit Increase Rider  Two Times Compound Benefit Increase Rider   |   | 5% Lifetime Compound Benefit Increase Rider   |  |  |  |  |
| Rejection of inflation protection rider (PLEASE RE  | EAD. You MUST check the box below if you did N  | OT select an inflation protection rider above)  |  |  |  |  |
| By signing this application, I acknowledge by checking this box that I have reviewed the outline of coverage and the graphs that compare the benefits and premiums of the policy with and without inflation protection. Specifically, I have reviewed the 3%, 4%, and 5% Lifetime Compound Benefit Increase Riders, the Two Times Compound Benefit Increase Rider, and the Simple Benefit Increase Rider, and I acknowledge that I reject inflation protection. |   |   |  |  |  |  |
| Nonforfeiture nder benefit  |   |   |  |  |  |  |
| Rejection of nonforfeiture rider benefit (PLEAS Rider above )   | ·   |   |  |  |  |  |
| □ By signing this application, I acknowledge by check therein Specifically, I have reviewed the Shortene  | king this box that I have reviewed the outline of covid<br>Benefit Rider, and I acknowledge that I reject such                  |   |  |  |  |  |
| Benefit packages (Must select one)  | Dealers D   | Pasters C   |  |  |  |  |
| Package A 70% Home and Community Care Daily Benefit 90-calendar day Elimination Penod   | Package B 100% Home and Community Care Daily Benefit 90-calendar day Elimination Period Home and Community Care Monthly Benefit | Package C 130% Home and Community Care Daily Benefit 90-calendar day Elimination Penod Home and Community Care Monthly Benefit 25% Monthly Indemnity Benefit  |  |  |  |  |
| Name of beneficiary   |   | Relationship  |  |  |  |  |
| Proposed insured spouse coverage  |   |   |  |  |  |  |
| Spousal rider benefits  Spousal Shared Care Rider (the two insureds' p  | lans must be identical)   |   |  |  |  |  |
|   | 4 years 5 years   | -   |  |  |  |  |
| Facility Care Daily Benefit (choose from \$50-\$200   |   |   |  |  |  |  |
| Inflation protection riders  3% Lifetime Compound Benefit Increase Rider Two Times Compound Benefit Increase Rider  |   | 5% Lifetime Compound Benefit Increase Rider   |  |  |  |  |
| Rejection of inflation protection rider (PLEASE RE  | EAD. You MUST check the box below if you did N  | OT select an inflation protection rider above.)   |  |  |  |  |
| Benefit Increase Riders, the Two Times Compore reject inflation protection  | thout inflation protection. Specifically, I have review<br>and Benefit Increase Rider, and the Simple Benefit                   | ved the 3%, 4%, and 5% Lifetime Compound  |  |  |  |  |
| Nonforfeiture rider benefit   |   |   |  |  |  |  |
| Rejection of nonforfeiture rider benefit (PLEAS   | E READ. You MUST check the box below if you   | u did not select the Shortened Benefit  |  |  |  |  |
| Rider above.)  By signing this application, I acknowledge by checitherein. Specifically, I have reviewed the Shortene.  | king this box that I have reviewed the outline of cove<br>d Benefit Rider, and I acknowledge that I reject such                 |   |  |  |  |  |
| Benefit packages (Must select one)  Package A 70% Home and Community Care Daily Benefit 90-calendar day Elimination Penod   | Package B 100% Home and Community Care Daily Benefit 90-calendar day Elimination Period Home and Community Care Monthly Benefit | Package C 130% Home and Community Care Daily Benefit 90-calendar day Elimination Period Home and Community Care Monthly Benefit 25% Monthly Indemnity Benefit |  |  |  |  |
| Name of beneficiary   |   | Relationship  |  |  |  |  |

| 5. Your premium payment amount                             |  |  |
|--|--|--|
| Proposed primary insured                                   |  |  |
| Planned modal premium                                      | Frequency (Must select one)  |  |
| \$   | ☐ Monthly [PAC/EFT] (submit authorization fori<br>☐ Monthly credit card] ☐ Quarterly ☐ Semi  | m and 2 months premium) [ Monthly List Bill]   |
| Total amount submitted with application                    | If employer group  | ariildaliy 🗀 Ariildaliy  |
| \$ ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) ( ) (                   | Group number   |  |
| Proposed insured spouse                                    | The second of th | 4 market 1 m |
| Planned modal premium                                      | •  |  |
|  |  |  |
| \$   |  |  |
| 6. Special requests  |  | -  |
| Proposed primary insured                                   |  |  |
| Date to save age   | Special effective date   | Other  |
|  |  |  |
| Proposed insured spouse                                    |  |  |
| Date to save age   | Special effective date   | Other  |
|  |  |  |
| 7. Payor if other than proposed insu                       | rod(s)   |  |
| Full name  | eu(s)  |  |
|  |  |  |
| Relationship to you  |  |  |
|  |  |  |
| Billing address  |  | and the training from the state of the state |
|  |  |  |
| City   | State  | ZIP code   |
|  |  |  |
| 8. Designation of third party for prot                     | ection against unintended lapse  |  |
|  |  | e of possible lapse of this long term care insurance   |
| policy for nonpayment of premium. I understand to          | hat this notice to my designee will not be given unt   |  |
| Must select one  |  |  |
| I elect NOT to designate any person to rec                 |  |  |
| ☐ I elect to designate this person to receive s            | uch notice   |  |
| Proposed primary insured Full name of third party designee |  |  |
| rui naite oi third party designee                          |  |  |
| Phone number  (  | ]  |  |
| Mailing address  |  |  |
|  |  |  |
| City   | State  | ZIP code   |
| <u>II!II!II!II!</u>  |  |  |
|  |  |  |

| I understand that I have the right to designate at least one person, other than myself, to receive notice of possible lapse of this long to                                 |  |
|---|--|
| policy for nonpayment of premium. I understand that this notice to my designee will not be given until 30 days after a premium is due. Must select one                      |  |
| l elect NOT to designate any person to receive such notice lect the same person as the primary insured  | d :  |
| I elect to designate this person to receive such notice   |  |
| Proposed insured spouse   |  |
| Full name of third party designee   |  |
|   |  |
| Phone number  | 1  |
|   |  |
| Mailing address   |  |
| City State ZIP code   |  |
|   |  |
|   | <u>!</u>   |
|   |  |
| 9. Medical history  |  |
|   | nmary Insured sured sure |
| YE  | S NO YES NO  |
| 1 Have you ever been hospitalized for, or consulted a member of the health care profession regarding, or been diagnosed   |  |
| or treated for or received medical advice for any of the following conditions?  | 1 n'n n:   |
| or treated for, or received medical advice for any of the following conditions?  (If "YES" check all that apply PI = Proposed Primary Insured IS = Proposed Insured Spouse) | زه ه ده د  |
| (If "YES" check all that apply PI = Proposed Primary Insured IS = Proposed Insured Spouse)  | زِه ه'ه د  |
| (If "YES" check all that apply PI = Proposed Primary Insured IS = Proposed Insured Spouse)  | ı a'a aj   |
| (If "YES" check all that apply PI = Proposed Primary Insured IS = Proposed Insured Spouse)  | . o'o oj   |
| (If "YES" check all that apply PI = Proposed Primary Insured IS = Proposed Insured Spouse )  PI IS PI S PI S PI S PI S PI S PI S PI   | ome  |
| (If "YES" check all that apply PI = Proposed Primary Insured IS = Proposed Insured Spouse )  PI IS  | ome  |
| (If "YES" check all that apply PI = Proposed Primary Insured IS = Proposed Insured Spouse )  PI IS PI S PI S PI S PI S PI S PI S PI   | ome  |
| (If "YES" check all that apply PI = Proposed Primary Insured IS = Proposed Insured Spouse)  PI IS   | ome  |
| (If "YES" check all that apply PI = Proposed Primary Insured IS = Proposed Insured Spouse)  PI IS   | ome  |
| (If "YES" check all that apply PI = Proposed Primary Insured IS = Proposed Insured Spouse)  PI IS   | ome hematosus, SLE   |
| (If "YES" check all that apply PI = Proposed Primary Insured IS = Proposed Insured Spouse)  PI IS   | ome hematosus, SLE   |
| (If "YES" check all that apply PI = Proposed Primary Insured IS = Proposed Insured Spouse)  PI IS   | ome<br>hematosus, SLE<br>ive years<br>than one)  |
| (If "YES" check all that apply PI = Proposed Primary Insured IS = Proposed Insured Spouse)  PI IS   | hematosus, SLE<br>ive years<br>than one)   |
| (If "YES" check all that apply PI = Proposed Primary Insured IS = Proposed Insured Spouse)  PI IS   | ome<br>hematosus, SLE<br>ive years<br>than one)  |
| (If "YES" check all that apply PI = Proposed Primary Insured IS = Proposed Insured Spouse)  PI IS   | hematosus, SLE ve years than one) mmary Insured sured Spouse   |
| (If "YES" check all that apply PI = Proposed Primary Insured IS = Proposed Insured Spouse )  PI IS  | hematosus, SLE ve years than one) mmary Insured sured Spouse   |
| (If "YES" check all that apply PI = Proposed Primary Insured IS = Proposed Insured Spouse)  PI IS   | hematosus, SLE ve years than one) mmary Insured sured Spouse   |
| (If "YES" check all that apply PI = Proposed Primary Insured IS = Proposed Insured Spouse)  PI IS   | hematosus, SLE ve years than one) mmary Insured sured Spouse   |
| (If "YES" check all that apply PI = Proposed Primary Insured IS = Proposed Insured Spouse)  PI IS   | hematosus, SLE ive years than one)  rimary Insured sured Spouse S NO YES NO  |
| (If "YES" check all that apply PI = Proposed Primary Insured IS = Proposed Insured Spouse)  PI IS   | hematosus, SLE ive years than one)  rimary Insured sured Spouse S NO YES NO  |
| (If "YES" check all that apply PI = Proposed Primary Insured IS = Proposed Insured Spouse)  PI IS   | hematosus, SLE ive years than one)  rimary Insured sured Spouse S NO YES NO  |

| 9 | . Medical history for simplified underwriting (Continued)  |  |
|---|--|--|
| 4 | Do you currently, or have you within the past 12 MONTHS, used any of the following medical devices?                              | Primary Insured Insured Spouse YES NO YES NO |
|   | PI IS PI IS   Crutches Walker   Motonzed scooter Wheelchair   Quad cane Dialysis     PI IS   Walker Oxygen   Respirator, ventile | Primary Insured Insured Spouse               |
| 5 | Do you require human assistance or supervision with any of the following activities  | YES NO YES NO                                |
| Ĭ | bathing, dressing, eating, walking, toileting, transferring from bed or chair, controlling bowels or bladder?                    |  |
| Н | lome Office changes to this application  | 1  |
|   |  |  |
| _ |  |  |
| _ |  |  |
|   |  |  |
|   |  |  |
| _ |  |  |
| _ |  |  |
|   |  |  |
| - |  |  |
| _ |  | <u></u> -                                    |
| _ |  |  |
|   |  |  |

| 10. Repla                     | cement (    | comp      | lete o   | nly if              | repla                                    | acen    | nent     | is in   | ıvolı         | /ed)   |              |      |           |          |        |        |          |        |       |          |  |        |          |          |                 |
|-------------------------------|-------------|-----------|----------|---------------------|--|---------|----------|---------|---------------|--------|--------------|------|-----------|----------|--------|--------|----------|--------|-------|----------|--|--------|----------|----------|-----------------|
| By signing th<br>Accident and |             |           |          |                     |  |         |          |         |               |        |              |      |           |          |        |        |          |        |       |          |  |        |          | ndivid   | uat             |
| First                         |             |           |          | М                   | iddle                                    |         |          |         |               |        |              | l    | ast       |          |        |        |          |        | _     | _        |  |        |          |          | -               |
|                               | l i         |           | Τ.       |                     |  |         |          |         |               | _ [    | 1            | 7    |           |          |        | <br>Is | T        |        |       | -        |  |        | 1        |          |                 |
| on (date)                     |             | / <u></u> |          | <u>:</u> <u>-</u> - |  |         |          |         |               |        |              |      |           |          |        |        | :        |        |       |          |  |        | <u> </u> |          |                 |
|                               |             |           |          |                     |  |         |          |         |               |        | _            |      | ** ** * * |          |        |        |          |        |       |          |  |        |          |          |                 |
| Agent first                   |             | 1         |          | M                   | iddle                                    |         |          |         | ·/            |        | 16           |      | _ast      |          |        |        | ·-1:     |        |       | -,       |  | _,,    | Jr       |          |                 |
|                               |             |           | J        | _                   |  |         |          | i       |               |        | _⊩           | 1 -  |           | <u>i</u> | L      |        | <u> </u> |        | L     |          | <u> </u>                                     |        | L        |          |                 |
| Agent addres                  | S           |           |          |                     |  |         |          |         |               | -,-    |              | · —  |           |          |        |        | —;r      |        |       |          |  |        | ,-       |          | ·               |
|                               |             |           | <u> </u> |                     |  |         |          |         |               | _#     |              |      |           |          |        |        |          |        |       |          |  |        | _        |          |                 |
| City                          |             | .,        |          |                     |  |         |          |         |               |        |              |      | State     |          |        |        | ZIP      | cod    | 8     |          |  |        |          |          |                 |
|                               |             |           | ╝.       |                     |  |         |          | _       | _             | _  _   |              | ] _  | _         |          |        |        |          | l      |       | Ľ        | <u>                                     </u> |        | _  _     | _        |                 |
|                               |             |           |          |                     |  |         |          |         |               |        |              |      |           |          |        |        |          |        |       |          |  |        |          |          |                 |
| 11. Your a                    | areemei     | nt and    | ackn     | owle                | daem                                     | ent     |          |         |               |        |              |      |           | •        |        |        |          |        |       |          |  |        |          |          |                 |
|                               |             |           |          |                     |  |         |          |         |               |        |              |      |           |          |        |        |          |        |       |          |  |        |          |          |                 |
| AGREEMEN'<br>application as   |             | -         |          |                     |  |         |          |         |               |        |              | -    | -         |          | -      | -      |          |        |       |          |  |        |          |          |                 |
| understand th                 |             |           |          |                     |  |         |          |         |               |        |              |      |           |          |        | 116 1  | nco      | nies   | lavii | ny p     | IIOVIS                                       | NOI1   | 11 1116  | ; ponc   | y i aist        |
| ACKNOWLE                      | •           |           |          |                     | •  | •       |          |         |               |        |              | •    |           |          |        | Ferm   | . Ca     | ra S   | hon   | ner      | e Gui  | ıda l  | Madu     | cera h   | iohea           |
| Potential Rate                |             |           |          |                     |  |         |          |         |               |        |              |      |           |          |        |        |          |        |       |          |  |        |          |          |                 |
| Information F                 |             | _,        | ,        |                     |  |         |          | .,      |               |        |              |      |           |          |        |        |          |        |       |          |  |        |          |          |                 |
| CAUTION - I                   | f your res  | onses     | on thi   | s appl              | icatio                                   | n are   | inco     | rrect   | or ur         | true   | , the        | Con  | npany     | ma       | y ha   | ve t   | he       | righ   | t to  | den      | y be   | nefi   | s or     | resci    | nd              |
| your policy,                  | subject to  | the Inc   | contest  | tability            | r provi                                  | isıon   | ın th    | e poli  | су А          | ny p   | erso         | n wl | no kno    | nıwo     | gly    | pres   | sen      | ts a   | fals  | e oı     | frau   | ıdule  | ent c    | laım :   | or              |
| payment of                    |             |           |          |                     |  | ents    | false    | ınfor   | matı          | חו חכ  | a ap         | plic | ation     | for i    | nsu    | ranc   | ce, i    | is g   | ilty  | of       | а сп   | me a   | ınd r    | nay b    | е               |
| subject to fi                 | nes and co  | ontinen   | nent in  | priso               | n.                                       |         |          |         |               |        |              |      |           |          |        |        |          |        |       |          |  |        |          |          |                 |
| The mades                     |             |           |          | /=\ ===             | 4  | .4      | 4.6. 11  | & &     |               |        |              |      | ا احالت   | //       |        |        | . ا      | 41     | _4.4  | L        |  | 4 lu   |          | -1 h - h | L_              |
| The undersign proposed in     |             |           |          |                     |  |         |          |         |               |        |              |      |           |          |        |        |          |        |       |          |  |        |          |          |                 |
| application i                 |             |           |          |                     |  |         |          |         | 36 <b>0</b> 1 | iioui. | cuto         | 160  | iiko ti   | ia. a    | ''', ' | a130   |          | 1611   | ieiit | 01 1     | 111311                                       | chic   | 36111    | alion    | ui una          |
|                               | •           |           |          |                     |  |         |          |         |               |        |              |      |           |          |        |        |          |        |       |          |  |        |          |          |                 |
| Signed at city                |             | ·         | _ ,      |                     |  |         |          |         |               |        | _,           |      |           |          |        |        |          |        |       |          |  |        |          | State    |                 |
| <u> </u>                      |             |           |          |                     |  |         | <u> </u> |         | 1             | _      |              |      |           |          |        |        |          |        |       |          |  |        |          |          |                 |
| Day                           | Month       |           |          |                     |  |         | $\top$   | Year    |               |        |              |      |           |          |        |        |          | ,      |       |          |  |        |          |          |                 |
|                               |             | .[        |          |                     |  |         | Ι.       |         | 1,            |        |              |      |           |          |        |        |          |        |       |          |  |        |          |          |                 |
|                               |             |           |          |                     | - L. |         |          |         |               | ,      |              |      |           |          |        |        |          |        |       |          |  |        |          |          |                 |
|                               |             |           |          |                     |  |         |          |         |               | _      |              |      |           |          |        |        |          |        |       |          |  |        |          |          |                 |
| X<br>Proposed prii            |             | od'a aca  |          |                     |  |         |          |         | _             |        |              |      | wered     |          |        |        |          |        |       |          |  |        |          |          |                 |
| Proposed pri                  | mary insure | ea s sig  | nature   |                     |  |         |          |         |               |        |              |      |           |          |        |        |          |        |       |          |  |        |          |          | ded in<br>on 10 |
|                               |             |           |          |                     |  |         |          |         |               |        |              |      | nt) is c  |          |        |        |          |        |       |          |  |        |          |          |                 |
| X                             |             |           |          |                     |  |         |          |         |               |        |              |      | existin   |          |        |        |          | ioui t |       | upp      | /IICu  | 101 11 | 1 11110  | аррп     | Jacion          |
| X<br>Proposed ins             | ured spous  | e's sigi  | nature   |                     |  |         |          |         |               |        | Ċ            |      |           |          |        |        |          |        |       |          |  |        |          |          |                 |
|                               |             |           |          |                     | Wn                                       | iting a | agent'   | 's sian | ature         | 1      |              |      |           |          |        |        |          |        |       |          |  |        |          |          |                 |
|                               |             |           |          |                     |  | _       | _        | _       |               |        |              |      |           | 7)       |        | 1      | 7        | آ _    |       | 1        | ır   |        |          |          |                 |
|                               |             |           |          |                     | Wn                                       | iting a | igent'   | 's pho  | ne nı         | ımbe   | r <b>(</b> l |      |           | _!/      |        | ]      |          | _      |       | <u> </u> | <u> </u>                                     |        |          |          |                 |

| Α   | geni         | 's statement  |  |           |  |
|-----|--------------|---|--|-----------|--|
|     |              |   |  | YES       | NO   |
| 1   | Did          | you personally interview the  | proposed insured(s), ask all the questions and witness the signatures?   |           |  |
| 2   | а            | Did the proposed insured(s  | ) (or their representative) initiate the contact that resulted in this application?  |           |  |
|     | b            | How long have you known   | the proposed insured(s)?   |           |  |
|     | C            | Are you or your spouse rela   | ated to the proposed insured(s)? If yes, relationship?   |           |  |
| 3   |              | you notice any impairments ase explain in "REMARKS")                | with regard to walking, talking or any type of tremor or signs of disorientation?  |           |  |
| 4   | or r<br>suri | nisleading or do you have an  | hat any information on this application (whether favorable or unfavorable) might be inaccurally information not disclosed in this application regarding the health, habits, or home sured(s) (whether favorable or unfavorable) which might assist in the underwriting decision of in "REMARKS") |           |  |
| 5   |              |   | ment exist for the proposed insured(s)? agreement has been established in "REMARKS"  |           |  |
| 6   |              |   | elling  Apartment  Assisted Living Facility  Retirement Home  Other  |           |  |
| 7   | Indi         | cate the best time of day to  | contact the proposed insured(s) by telephone   |           |  |
| 8   |              | ent must list all health insurant<br>last five years but are no fon | ice including long term care policies they have sold to the applicant(s) which are still in force  | e, and we | ere sold in                                  |
|     | Pro          | oosed primary insured   | ☐ Proposed insured spouse  |           |  |
|     |              | f policy  | When (mm/dd/yyyy) Type of benefit  |           |  |
|     |              | ed Applied for In force   |  |           |  |
| Na  | me o         | company   | Policy number  |           |  |
| To  | be re        | placed by this coverage   | Amount of benefit  | _         |  |
|     | Yes          | □ No  | \$Other  |           | <del></del>                                  |
|     |              | osed primary insured  | ☐ Proposed insured spouse  |           |  |
|     |              | f policy  | When (mm/dd/yyyy) Type of benefit  | 7         | <u>,                                    </u> |
|     |              | ed Applied for In force company                                     | [ / /  | <u></u>   |  |
| INd | lie oi       | Company   | Policy number  |           |  |
| To  | be re        | placed by this coverage   | Amount of benefit  | 111.      | !!   |
|     | Yes          | □ No  | \$Other  |           |  |
| REI | MARI         | (S  |  |           |  |
| _   |              |   |  |           |  |

11-A-SEL-SIMP-VA

### Component Header SERT-6L7NDC243/00-29/00-00/00

## **Component Header**

Component 29 - Rev 00 Sent 01/19/2006 03 57 00 PM

Created by Tammy Smasal on 05/31/2006 Other Authors None

Assigned To Mary Ann Mason, Bob Grissom, TOI LTC031 Individual Long Term Care

[Receiver]

Company List Allianz Life Insurance Company SubTOL LTC03I 001 Qualified

**Tracking Information:** 

State Virginia
State Tracking # 7/26102 SERFF Tracking # SERT-6L7NDC243/00-29/00-00/00

Component Status Disapproved Component Status Viewed by State

(State) (SERFF)

Disposition Date None Delivery Date 05/31/2006 10 10 16 AM Implementation None Reviewer Mary Ann Mason, Bob Grissom,

Date Reviewer Mary Ann Mason, Bob Gris

Deemer Date None Reviewer Phone None

Effective Date None Requirement None Primary Reviewer None

Status

**Component Information:** 

Component Type Supporting Component Action Initial

Documentation

Lead Form Number 11-P-Q-VA State Specific Code None

Requirement None

Satisfied

Brief Description Uniform Transmittal Document

Filer's Notes replaces ch22

Document(s) None

**Company Contact:** 

Lead Company Allianz Life Insurance Company of North America

Company Information Contact
Allianz Life Insurance Company of North Smasal, Tammy

Amenca

File Attachments: VA transmittal (uniform)2 pdf, VA uniform transmittal extra

pages\_2\_pdf

## Life, Accident & Health, Annuity, Credit Transmittal Document (Revised 1/1/05)

| 1.               | Prepared for the State of   | Virginia   |                         | <u>.</u>    |                    |             |                |
|------------------|---|--|-------------------------|-------------|--------------------|-------------|----------------|
| 2.               | State Tracking ID   | Dep  | artment Use Only        |             |                    |             |                |
|                  | State Tracking ID   | ,  |                         |             |                    |             |                |
| 3.               | Insurer Name & Address  |  | Domicile                | NAIC        | Group#             | NAIC#       | FEIN#          |
| 5701 G           | Life Insurance Company of North Ame<br>olden Hills Drive<br>polis, Minnesota 55416-1297 | erica  | Mınnesota               |             |                    | 90611       | 41-13660<br>75 |
| 4.               | Filer Name & Address  | Telephone #  | Fax#                    |             | E-mai              | l Address   |                |
| Tammy<br>Same as | Smasal<br>3 3 above   | 800/328-5601,<br>extension 32804                                 | 763/582-6495            |             | tammy<br>m         | _smasal@all | ianzlife co    |
| 5.               | Filing Method   | Paper  | Electronic/S Tracking N | _           | ERT-6L             | .7NDC243/0  | 0              |
| 6.               | Company Tracking Numb   | per 11-P-Q-VA  |                         |             |                    |             |                |
| 7.               | Market  | Individual Group Other   | □ Small □               | Large       | Ū Any              | / size      |                |
| 8.               | Type of Insurance   | LTC03I Individu  | al Long Term C          | are         |                    |             | ·              |
| 9.               | Product Coding Matrix<br>Filing Code  | LTC03I.001 Qua   | lified                  |             |                    |             |                |
|                  |   | Forms Policy   | <b>⋉</b> Outlu          | ne of Cover | rage               | Certific    | ate            |
| 10.              | Submitted Documents   | Other  | =                       |             | randum             |             | sing           |
| 10.              | Submitted Documents  Filing Submission Date   | Rates  New Rate R  | efits Actual            | uarial Memo | randum<br>norandum |             |                |
|                  |   | Rates New Rate R Other Report 01/19/2006 Amount Retaliatory 7 Ye | efits Actual            | uarial Memo | norandum           |             |                |

LH TD-1, Page 1 of 2

| 14.      | Filing Description:            |  |   |
|----------|--------------------------------|--|---|
|          | See cover letter.              | •  |   |
|          |                                |  |   |
|          |                                |  |   |
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|          |                                |  |   |
|          |                                |  |   |
|          |                                | View Complete Filing Description   |   |
| 15.      | Certification (If required)    |  |   |
| I HI     | EREBY CERTIFY that I have revi | ewed the applicable filing requirements for this filing, and complies with all applicable Virginia |   |
| 1        | t Name Vickie Hendrickson      | Title Assistant V P - Compliance   | _ |
|          | unal Signature                 | Date 05/25/2006  |   |
| LH TD-1. | Page 2 of 2                    |  |   |

2

## Effective January 1, 2005

| 16.  | . Form F  | Filing Attachment | _ |
|------|---|-------------------|---|
| This | filing transmittal is part of company tracking number | 11-P-O-VA         |   |
| This | filing corresponds to rate filing company tracking    |                   |   |
| num! | ber   |                   |   |

|    | Document Name                   | Form Number |                                  | Replaced Form Number            |
|----|---------------------------------|-------------|----------------------------------|---------------------------------|
|    | Description                     |             |                                  | Previous State Filing<br>Number |
| 01 | Tax-Qualified LTCi Policy       | II-P-Q-VA   | [] Initial [] Revised [] Other   | N/A                             |
| 02 | Policy Schedule                 | 11-PS-Q     | [] Initial [] Revised [] Other   | _                               |
| 03 | 3% Lifetime Compound Benefit I  | 11-R1       | [] Initial [] Revised [] Other   |                                 |
| 04 | 4% Lifetime Compound Benefit In | 11-R2       | [] Initial [] Revised [] Other   | _                               |
| 05 | 5% Lifetime Compound Benefit Ii | 11-R3       | [] Initial [] Revised [] Other   | _                               |
| 06 | Two Times Compound Benefit In   | 11-R4       | [] Initial [] Revised [] Other   | _                               |
| 07 | Simple Benefit Increase Rider   | 11-R5       | [] Initial [] Revised [] Other   |                                 |
| 08 | Paid Up at Age 65 Rider         | 11-R6       | [] Initial [] Revised []Other    | _                               |
| 09 | Ten-Year Premium Payment Ride   | 11-R7       | [] Initial [] Revised []Other    | _                               |
| 10 | Waiver of Home and Community    | 11-R8       | [] Initial . [] Revised []Other  | - ,                             |
| 11 | Coverage Enhancement Rider      | 11-R9       | [i] Initial [i] Revised [i]Other | -                               |
| 12 | Full Indemnity Benefit Rider    | 11-R10      | [] Initial [] Revised []Other    | _                               |

LH FFA-I

| 17.           |   | Rate Filing   | Attachment              |                                 |
|---------------|---|---------------|-------------------------|---------------------------------|
| $\overline{}$ | filing transmittal is part of company track |               | TI-r-Q-VA               |                                 |
|               | filing corresponds to form filing company   |               |                         |                                 |
| Ove           | rall percentage rate impact for this filing |               |                         | %                               |
|               | Document Name                               | Affected Form |                         | Previous State Filing<br>Number |
|               | Description                                 | Numbers       |                         |                                 |
| 01            | Description                                 |               | New New                 |                                 |
| "             |   |               | Revised                 |                                 |
|               |   |               |                         |                                 |
|               |   |               | Other                   |                                 |
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| 04            |   | 1             | New                     |                                 |
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| 05            |   |               | [] New                  |                                 |
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| 06            |   | •             | Other                   |                                 |
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| 08            |   | 1             | New                     |                                 |
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|               |   | 1             | Other                   |                                 |
| 09            |   |               | New                     | 1                               |
|               |   |               | Revised                 |                                 |
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|               |   |               | [] Other                |                                 |
| 10            |   | -             | New                     |                                 |
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| LH RFA        | <u> </u>                                    | <u> </u>      | 14 Omer                 | <u> </u>                        |

Reset Form

| 16. Form F   | ling Attachment |
|--|-----------------|
| This filing transmittal is part of company tracking number | 11-P-Q-VA       |
| This filing corresponds to rate filing company tracking    |                 |
| number   |                 |

|    | Document Name                            | Form Number      |  | Replaced Form Number            |
|----|--|------------------|--|---------------------------------|
|    | Description                              |                  |  | Previous State Filing<br>Number |
| 13 | Spousal Shared Care Rider                | 11-R11           | [X] Initial [] Revised [] Other        | N/A                             |
| 14 | Spousal Waiver of Premium Rider          | 11-R12           | [X] Initial [] Revised [] Other        |                                 |
| 15 | Household Discount Rider                 | 11-R13           | [X] Initial [] Revised [] Other        |                                 |
| 16 | Contingent Benefit Upon Lapse<br>Rider   | 11-R14           | [X] Initial [] Revised [] Other        |                                 |
| 17 | International Coverage Benefit<br>Rider  | 11-R15           | X  Initial<br>  } Revised<br>  ] Other |                                 |
| 18 | Coverage Enhancement Rider               | 11-R16           | [X] Initial [] Revised [] Other        |                                 |
| 19 | Facility Care Only Policy<br>Endorsement | 11-E-1           | [X] Initial [ ] Revised [ ] Other      |                                 |
| 20 | Application for LTCi                     | 11-A-FULL-VA     | [X] Initial [] Revised []Other         |                                 |
| 21 | Application for LTCi                     | 11-A-SIMP-VA     | [X] Initial [ ] Revised [ ]Other       |                                 |
| 22 | Application for LTCı                     | 11-A-SEL-FULL-VA | [X] Initial [   Revised [  Other       |                                 |
| 23 | Application for LTCi                     | 11-A-SEL-SIMP-VA | [X] Initial [] Revised []Other         |                                 |
| 24 | Outline of Coverage for LTC1 Policy      | 11-OC-Q-FULL-VA  | [X] Initial [ ] Revised [ ]Other       |                                 |

| 16.   | Form Filing Attachment                                |           |  |
|---|---|-----------|--|
| This  | filing transmittal is part of company tracking number | 11-P-Q-VA |  |
| This filing corresponds to rate filing company tracking |   |           |  |
| number  |   |           |  |

|    | Document Name                       | Form Number             |                                      | Replaced Form Number         |
|----|-------------------------------------|-------------------------|--------------------------------------|------------------------------|
|    | Description                         |                         |                                      | Previous State Filing Number |
| 25 | Outline of Coverage for LTCi Policy | 11-OC-Q-SIMP-VA         | [X] Initial [] Revised [] Other      | N/A                          |
| 26 | Outline of Coverage for LTCi Policy | 11-OC-Q-SEL-FULL-<br>VA | [X] Initial [ ] Revised [ ] Other    |                              |
| 27 | Outline of Coverage for LTC1 Policy | 11-OC-Q-SEL-SIMP-<br>VA | [X] Initial [] Revised [] Other      |                              |
| 28 |                                     |                         | [ ] Initial [ ] Revised [ ] Other    |                              |
| 29 |                                     |                         | [   Initial   ] Revised     Other    |                              |
| 30 |                                     |                         | [   Initial                          |                              |
| 31 |                                     |                         | [ ] Initial [ ] Revised [ ] Other    |                              |
| 32 |                                     |                         | [ ] Initial [ ] Revised [ ]Other     |                              |
| 33 |                                     |                         | [ ] Initial [ ] Revised [ ]Other     |                              |
| 34 |                                     |                         | [ ] Initial [ ] Revised [ ]Other     |                              |
| 35 |                                     |                         | [   Initial   [ ] Revised   [ ]Other |                              |
| 36 |                                     |                         | [   Initial                          |                              |
|    | LH FFA-I                            | I                       | 1                                    |                              |

#### Note to Filer SERT-6L7NDC243/00-29/00-01/00

#### Note to Filer

Report Type Note to Filer

Filing Originally Sent 01/19/2006 03 57 53

Created by Mary Ann Mason on 06/30/2006

Sent 06/30/2006 11 15 53 AM

State

Virginia

Response To Response To ComponentHeader

No

SERFF Tracking

SERT-6L7NDC243/00-29/00-01/00

SERFF Tracking

SERT-6L7NDC243/00-29/00-00/00

Lead Company

Allianz Life Insurance

Company

Allianz Life Insurance Company of North America

Product Name

Company of North America Generation Protector II

Project Name

(11-P-Q)

Generation Protector II

Filing Date

01/19/2006 03 57 53 PM

Project No

11-P-Q

State Tracking No

7/26102

Term Care

Company Tracking

None

TOI

LTC03I Individual Long

Sub TOI

LTC03I 001 Qualified

Report Status

Incomplete Filing

SERFF Status

None

Reviewer Phone No

None

Status Effective 06/30/2006

Date

Report Information: Note to Filer

Subject

certificate of compliance and readability certification

Comments

The signature is missing from the certification of compliance

In addition, the readability certification must show the number of

words, sentences, syllables (14 VAC 5-110-60 B)

With these 2 items, submission is ready for approval

Thanks

File Attachments: None

#### Component Header SERT-6L7NDC243/00-29/01-00/00

#### Component Header

Sent 01/19/2006 03 57 00 PM Component 29 - Rev 01

Created by Tammy Smasal on 07/10/2006 Other Authors None

Assigned To Mary Ann Mason, Bob Grissom, TOI LTC031 Individual Long Term Care

[Receiver]

SubTOI LTC03I 001 Qualified Company List Allianz Life Insurance Company

**Tracking Information:** 

State Virginia State Tracking # 7/26102 SERFF Tracking # SERT-6L7NDC243/00-29/01-00/00

Component Status Viewed by State Component Status Received

(SERFF) (State) &Acknowledged

07/10/2006 05 27 39 PM Delivery Date Disposition Date None

Mary Ann Mason, Bob Grissom, Implementation Reviewer None Date

[Receiver] Reviewer Phone None Deemer Date None

Reviewer Fax None Effective Date None Requirement None Primary Reviewer None

Status

**Component Information:** 

Component Type Supporting Component Action Resubmitted

Documentation

11-P-Q-VA Lead Form Number State Specific Code None

Requirement None

Satisfied

Brief Description Response to 06/30/2006 Note to Filer Filer's Notes Attached is a certification of compliance

> With respect to the readability certification, we do not have a program that counts the number of syllables. In reviewing 14 VAC 5-110-50 D 2, the number of syllables is necessary only to be used in the calculation of the end result (the flesch score) We use Word in order to calculate the flesch score and respectfully request, under 14 VAC 5-110-50 E, that this alternative test be sufficient

Attached is a screen print of the calculation Word provided for our

policy

Document(s) None

Company Contact:

Lead Company Allianz Life Insurance Company of North America

Company Information Contact Allianz Life Insurance Company of North Smasal, Tammy

America

File Attachments. VA Certificate of Compliance pdf, Policy fs pdf

#### **VIRGINIA**

#### **CERTIFICATE**

RE: Form #: 11-P-Q-VA, et al

The Company has reviewed the enclosed policy form(s) and certifies that, to the best of its knowledge and belief, each form submitted is consistent and complies with the requirements of Title 38 1 of the Code of Virginia and the regulations promulgated pursuant thereto

Date July 10, 2006

Vickie Hendrickson
Assistant Vice President, Compliance

| ffifereich Werd Pilip Q 10-12.de         | e Service                           | 100 FIF 464  | TO COMPANY                | · 人名英格兰斯  |                              | 7.101×               |
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|  | under th                            | e Facility Core Benefit; and a   | princes provided to you t | brough Home Health Care                           | Services                     | ( " " ( " , " , K) ( |
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Policy

#### Component Header SERT-6L7NDC243/00-30/00-00/00

#### Component Header

Component 30 - Rev 00

Created by Tammy Smasal on 06/06/2006

Assigned To Mary Ann Mason, Bob Grissom,

Company List Allianz Life Insurance Company

Sent 01/19/2006 03 57 00 PM

Other Authors None

TOI LTC03I Individual Long Term Care

SubTOI LTC03I 001 Qualified

**Tracking Information:** 

State

State Tracking #

Component Status (State)

Disposition Date

Implementation

Date

Deemer Date Effective Date

Requirement Status

Virginia

7/26102 Received

&Acknowledged None

None

None None None SERFF Tracking #

Component Status (SERFF)

Delivery Date

Reviewer

Reviewer Phone Reviewer Fax Primary Reviewer SERT-6L7NDC243/00-30/00-00/00 Viewed by State

06/06/2006 01 15 09 PM Mary Ann Mason, Bob Grissom,

[Receiver]

Initial

None None None

**Component Information:** 

Component Type

Lead Form Number Form Title Readability Score

Form 11-P-Q-VA None

see cert

Component Action State Specific Code

None Company Form Number None Replaces Form N/A Number

Requirement Satisfied

N/A

Brief Description Filer's Notes

Addendum to Actuarial Memorandum Attached is an addendum to the actuarial memorandum. This addendum

addresses the 5% existing policyholder discount that was

inadvertently omitted from the actuarial memorandum. Please add this addendum to the actuarial memorandum in component header 6/01. We

apologize for any inconvenience this may cause

Document(s)

None

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

Company Information

Allianz Life Insurance Company of North

Smasal, Tammy

America

File Attachments

Generic 5% EPD addendum pdf

#### Addendum to Actuarial Memorandum

Allianz Life Insurance Company of North America
Tax-Qualified Long Term Care Insurance Policy (11-P-Q Series)

This Addendum should be attached to and made a part of the previously filed Actuarial Memorandum for this policy series. The Existing Policyholder Discount was inadvertently left out of the original policy filing.

#### **GENERAL INFORMATION**

The Discount section under GROSS PREMIUMS AND PREMIUM FACTORS has been updated to reflect the following

#### Existing Policyholder Discount

- a Premium rates will be discounted for policyholders who own any other inforce Allianz product
- b This discount will be 5% The discount is justifiable due to a reduction in commissions paid on these policies
- c This discount is not available with the Endorsed Group or Allianz Employee Discounts (if applicable)

#### **ACTUARIAL CERTIFICATION**

The presence of this discount does not materially affect the other aspects and assumptions described in the Actuarial Memorandum. The loss ratio (if applicable) continues to meet the minimum loss ratio requirement of this state. Any other certifications continue to hold true with respect to this filing.

Kathy Ignagni, ASA, MAAA

Kathy (gragne

Assistant Actuary

Allianz Life Insurance Company of North America

June 5th, 2006

#### Transmittal Header SERT-6P8JCX819/00-00/00-00/00

#### Transmittal Header

SERT-6P8JCX819/00-00/00-00/00 Created by Tammy Smasal on 04/26/2006 Assigned To Mary Ann Mason, [Receiver] Company List Allianz Life Insurance

Company publicAccess No value

State Domain

Type of

Insurance Product Name Sent 04/26/2006 09 43 27 AM

Other Authors None

TOI LTC03I Individual Long Term Care

SubTOI LTC03I 001 Qualified

Filing Information:

Filing Action Initial State

Virginia

None

LTC031 Individual Long

Generation Protector

Filing Date State Instance Identifier

04/26/2006 None

Filing Type

Advertising

Sub TOI

LTC03I 001 Qualified

II/Select

Term Care

Implementation

None Date Requested

Project Name GenPro II Advertising

Fee Required No Reference No

Filing

Reference # None Effective Date

Requested

Project #

Fee Amount Reference Org 11-CB

None

None

Advisory Org Circular #

None

Components sent originally with filing

SERT-6P8JCX819/00-01/00-00/00

SERT-6P8JCX819/00-02/00-00/00

SERT-6P8JCX819/00-03/00-00/00

SERT-6P8JCX819/00-04/00-00/00

SERT-6P8JCX819/00-0 5/00-00/00

SERT-6P8JCX819/00-06/00-00/00

SERT-6P8JCX819/00-07/00-00/00

SERT-6P8JCX819/00-08/00-00/00

SERT-6P8JCX819/00-09/00-00/00

SERT-6P8JCX819 /00-10/00-00/00

SERT-6P8JCX819/00-11/00-00/00 SERT-6P8JCX819/00-12/00-00/0 0

SERT-6P8JCX819/00-13/00-00/00

#### **Company Contact:**

Lead Company

Allianz Life Insurance Company of North America

| Filing Company Info                      | Contact Info                             |
|--|--|
| Allianz Life Insurance Company of North  | Tammy Smasal                             |
| Атепса                                   | Senior Compliance Analyst                |
| 5701 Golden Hills Drive, Minneapolis, MN | Allianz Life Insurance Company of North  |
| 55416–1297 USA                           | America                                  |
| Phone. 800 328 5601 FAX: 763 582 6495    | 5701 Golden Hills Drive, Minneapolis, MN |
| CoCode: 90611 Group Code: 000 FEIN:      | 55416–1297 USA                           |
| 41–1366075                               | Phone: 800-328-5601 x32804 FAX:          |
| State of Domicile: Minnesota             | 763–582–6495                             |
| State ID Number: None                    | EMail: tammy_smasal@allianzlife com      |

#### Transmittal Header SERT-6P8JCX819/00-00/00-00/00

**Submission Requirements:** 

Status Requirement

Bypassed LH Certification of Compliance

Bypassed LHForms Listing
Bypassed LHPolicy Forms
Satisfied Advertising Materials

**Tracking Information:** 

Company Tracking None State Tracking # 7/26579

Company Status None State Status Filed

Date Company None Date State Status None Status Changed Changed

SERFF Tracking SERT-6P8JCX819/00 Delivery Date 04/26/2006 09 56 21 AM

SERFF Status Closed – Filed Disposition Date 04/26/2006

Date SERFF 06/12/2006 Implementation Date None

Date SERFF 06/12/2006 Implementation Date None Status Changed

Deemer Date 05/26/2006 Effective Date None Reviewers Mary Ann Mason, [Receiver]

Additional State Tracking Numbers

Allianz Life Insurance Company 7/26579

State-Specific Fields:
NAIC Number\* 90611 Company Name\* Allianz Life Insurance

Line of Health Line of Insurance Company

Long Term Care

Authority\*
Lead Form 11-CB PCNew Policy N/A

Number Effective Date

PCPolicy Renewal N/A Filer 'sName Tammy Smasai Date

Filer's Phone 800–328–5601 X32804 Was Checklist Used Yes

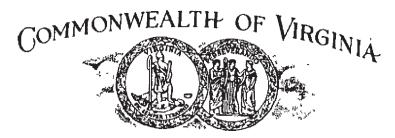
Number Yes/No

Filing None

Description ·

File None
Attachments:

ALFRED W GROSS COMMISSIONER OF INSURANCE



P.O BOX 1157 RICHMOND, VIRGINIA 23218 TELEPHONE (804) 371-9741 TDD/VOICE (804) 371-9206 http.//www.state.va.us/scc

#### STATE CORPORATION COMMISSION BUREAU OF INSURANCE

June 12, 2006

VIA SERFF
ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA
1750 HENNEPIN AVENUE
MINNEAPOLIS, MN 55403
Attn TAMMY SMASAL
COMPLIANCE ANALYST

RE YOUR SUBMISSION RECEIVED JUNE 7, 2006

SERT-6P8JCX819/00-00/00-00/00 Submission No: 007 0000026579 Form No 11-CB, et al

Dear Ms. Smasal.

The above captioned advertising material was received in our office and filed with the Commission on 04/26/06.

Since it is the company's responsibility to ensure that advertising complies with rules and regulations applicable in Virginia, we have not reviewed this filing for approval or disapproval.

We are stamping our copy, "FILED FOR INFORMATION ONLY"

Yours Truly,

Mary Ann Mason, FLMI, AIE Senior Insurance Market Examiner Forms and Rates Section Life and Health Division Telephone No (804) 371-9348

#### Disposition Report SERT-6P8JCX819/00-00/00-01/00

#### **Disposition Report**

Report Type Disposition Report

Created by Mary Ann Mason on 06/12/2006

Sent 06/12/2006 03 05 06 PM

Filing Originally Sent 04/26/2006 09 43 27

State

SERFF Tracking

Virginia

SERT-6P8JCX819/00-00/00-01/00

Lead Company

No

Allianz Life Insurance

Company of North America

Product Name

Generation Protector

II/Select

Filing Date

04/26/2006 09 43 27 AM

Response To

Transmittal Header

Response To SERFF Tracking SERT-6P8JCX819/00-00/00-00/00

No

Company

Allianz Life Insurance

Company of North America

Project Name

GenPro II Advertising

Project No

11-CB

State Tracking No

7/26579

TOI

LTC031 Individual Long

Term Care

Disposition Reviewer Phone No

Filed None Company Tracking

None

Sub TOI

LTC03I 001 Qualified

**SERFF Status** 

None

#### No disposition descriptions

Disposition

Disposition Date

Filed 04/26/2006 None

Effective Date

Type

Effective Date Implementation None None

Date

Deemer Date

05/26/2006

Comments

Please see attachment for status

Thanks

#### **Applies to Components**

CH 01/00 -- LHCertification of Complianc

CH 02/00 -- LH Forms Listing

CH 03/00 --- LHPolicy Forms

CH 04/00 -- Advertising Materials

CH 05/00 -- Consumer Product Guide (11-CPG

CH 06/00 -- Consumer Brochure (11-CB-SEL)

CH 07/00 -- Consumer Brochure (11-CB-EMP)

CH 08/00 -- Consumer Brochure (0-SCB3)

CH 09/00 — Consumer Advertisement (0–M91)

CH 09/01 -- Response to 05/22/2006 Problem

CH 10/00 -- Illustration (11-ILL)

CH 11/00 -- Illustration (11-ILL-SEL)

CH 12/00 -- Uniform Transmittal Document

CH 12/01 -- Certificate of Compliance

CH 13/00 -- Cover Letter

File Attachments: 7 26579 ltc final doc

#### Component Header SERT-6P8JCX819/00-01/00-00/00

#### **Component Header**

Component 01 - Rev 00

Sent 04/26/2006 09 43 27 AM

Created by Tammy Smasal on 04/26/2006

Other Authors None
TOI LTC03I Individual Long Term Care

Assigned To Mary Ann Mason, [Receiver]
Company List Allianz Life Insurance Company

SubTO1 LTC03I 001 Qualified

**Tracking Information:** 

State

Virginia

State Tracking #

7/26579

SERFF Tracking #

SERT-6P8JCX819/00-01/00-00/00

Component Status

Received

Component Status (SERFF)

Assigned to Reviewer

(State) Disposition Date &Acknowledged None

Delivery Date

04/26/2006 09 56 22 AM

Implementation

None

Reviewer

Mary Ann Mason, [Receiver]

Date

Deemer Date Effective Date None None Reviewer Phone Reviewer Fax Primary Reviewer None None None

Requirement Status Reason

equirement Bypassed

N/A See uniform transmittal document

LHCertification of Compliance

**Component Information:** 

Component Type

Advertisement'

Component Action

Initial

Lead Form Number

11-CB

State Specific Code

None

Requirement

Satisfied

None

Brief Description Filer's Notes Document(s)

None None

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

**Company Information** 

Contact

Allianz Life Insurance Company of North

Smasal, Tammy

America

File Attachments:

None

#### Component Header SERT-6P8JCX819/00-02/00-00/00

#### **Component Header**

Component 02 - Rev 00

Created by Tammy Smasal on 04/26/2006 Assigned To Mary Ann Mason, [Receiver]

Company List Allianz Life Insurance Company

Sent 04/26/2006 09 43 27 AM

Other Authors None

TOI LTC031 Individual Long Term Care

SubTOI LTC03I 001 Qualified

**Tracking Information:** 

State State Tracking # Virginia 7/26579

Component Status

Disposition Date

Implementation

Deemer Date

Effective Date

Received

None

&Acknowledged

None

None

None

Bypassed

Delivery Date Reviewer

(SERFF)

Component Action

State Specific Code

Reviewer Phone Reviewer Fax Primary Reviewer

SERFF Tracking #

Component Status

None None None

SERT-6P8JCX819/00-02/00-00/00

Assigned to Reviewer

Initial

None

04/26/2006 09 56 29 AM

Mary Ann Mason, [Receiver]

Requirement Status

(State)

Date

Reason

N/A See uniform transmittal document

**Component Information:** 

Component Type Lead Form Number Advertisement

11-CB

LHForms Listing

Requirement Satisfied

Brief Description

None Filer's Notes None Document(s) None

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

Company Information

Allianz Life Insurance Company of North

America

Contact

Smasal, Tammy

File Attachments:

None

#### Component Header SERT-6P8JCX819/00-03/00-00/00

#### **Component Header**

Component 03 - Rev 00

Created by Tammy Smasal on 04/26/2006

Assigned To Mary Ann Mason, [Receiver]

Company List Allianz Life Insurance Company

Other Authors None

SERFF Tracking #

Component Status

(SERFF)

Reviewer

Delivery Date

Reviewer Phone

Primary Reviewer

Contact

Smasal, Tammy

Component Action

State Specific Code

Reviewer Fax

TOI LTC03I Individual Long Term Care

SERT-6P8JCX819/00-03/00-00/00

Assigned to Reviewer

Initial

None

None

None

None

04/26/2006 09 56 32 AM

Mary Ann Mason, [Receiver]

**Tracking Information:** 

State

Virginia

State Tracking # Component Status

Disposition Date

7/26579

Received

&Acknowledged

None

Date

(State)

Implementation None

Effective Date Requirement

Deemer Date None Bypassed

Status

Reason N/A This is an advertising filing

None

**Component Information:** 

Component Type

Advertisement

Lead Form Number

11-CB

LHPolicy Forms

Satisfied

**Brief Description** Filer's Notes Document(s)

Requirement

None

None None

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

Company Information

Allianz Life Insurance Company of North

Атепса

File Attachments:

None

Sent 04/26/2006 09 43 27 AM

SubTOI LTC03I 001 Qualified

1

#### Component Header SERT-6P8JCX819/00-04/00-00/00

#### **Component Header**

Component 04 - Rev 00

Created by Tammy Smasal on 04/26/2006

Assigned To Mary Ann Mason, [Receiver]

Company List Allianz Life Insurance Company

Sent 04/26/2006 09 43 27 AM

Other Authors None

TOI LTC03I Individual Long Term Care

SubTOI LTC03I 001 Qualified

Tracking Information:

State

Virginia

State Tracking #

7/26579 Received

Component Status (State)

&Acknowledged

Disposition Date Implementation

None None

Date

Deemer Date Effective Date

Requirement Status

None None

SERFF Tracking #

Component Status

(SERFF)

Delivery Date

Reviewer

04/26/2006 09 56 37 AM

Assigned to Reviewer

Mary Ann Mason, [Receiver]

SERT-6P8JCX819/00-04/00-00/00

None

Reviewer Phone Reviewer Fax Primary Reviewer

Contact

Smasal, Tammy

None None

None

**Component Information:** 

Component Type Lead Form Number Advertisement

11-CB

Advertising Materials

Requirement Satisfied

**Brief Description** 

Consumer Brochure (11-CB)

Filer's Notes Document(s) None

Company Contact:

Lead Company

Allianz Life Insurance Company of North America

Company Information

Allianz Life Insurance Company of North

Атепса

File Attachments:

11-CB pdf

Component Action State Specific Code

Initial None

Live how you want, with [Generation Protector II].

Freedom of choice and the comfort of home in one long term care insurance policy

[Generation Protector II"]

Allianz Life Insurance Company of North America

[Allanz Viet The best at next]



# [Generation Protector II] from Allianz Life<sup>®</sup> can keep you where your heart is – your own home.

[Generation Protector II<sup>™</sup>] is long term care insurance that's more than just nursing home coverage. It pays for health care rendered in the familiar surroundings of a place dear to your heart – your own home. This kind of care honors your independence, protects your privacy, and respects your dignity.

And just as you made the place you live your home, you can design a plan that protects you, your family, and your lifestyle with [Generation Protector II] For instance, you can benefit from

- A hybrid policy that combines reimbursement and cash options, but is priced more like a traditional reimbursement-only policy
- A coverage-enhancement feature that allows you to increase your coverage every five years without underwriting
- Flexibility to employ your own independent caregivers
- 130% home care option 30% more coverage to keep you in your home longer
- Flexible premium options that include paying up your policy in 10 equal payments or by age 65

### You can count on Allianz Life for the long term.

As you plan for your future, you want a company you can trust to be there in your time of need. Allianz Life is that company

#### Take comfort in global stability.

Founded in 1896, Allianz Life is a leading provider of long term care insurance products, fixed and variable annuities, and life insurance. It is one of the primary companies of the Allianz Group - a provider of asset management services, banking, and life, health, and property casualty insurance in over 70 countries around the globe

#### Rely on our staying power.

Built from this solid foundation of providing insurance and financial services, Allianz Life has made long term care coverage our business since 1990. We are pleased to offer some of the most competitive and innovative long term care insurance products available Our ongoing commitment is to provide flexible and comprehensive coverage at affordable prices to help protect your nest egg, while offering options that let you tailor coverage to your individual financial needs

From innovative products to exceptional customer service, Allianz Life is a trusted source for providing people just like you the coverage you need. When it comes to long term care insurance, we'll be here for a long, long time



## Now that you've heard about long term care insurance, you may be wondering if you need it.

You've been working hard to build a financial future for yourself and your family. No doubt you're looking forward to many years of fun, comfort, and relaxation. In this day and age, you don't have to let long term care expenses get in the way of a long and happy retirement. And knowing the facts is the first step to being prepared. Just consider that

- [At least 40% of people over age 65 will need nursing home care someday, and of those people, about 10% will stay in a nursing home for five or more years!
- The average cost of living in a nursing home in the United States is \$57,700° per year (not including what may be the cost of a spouse or adult child continuing to live at home)
- The average nursing home stay (approximately 2.4 years) will cost nearly a half million dollars (\$468,960) by the year 2030.
- Two-thirds of single people and one-third of married couples exhaust their funds after just 13 weeks in a nursing home. Within two years, 90% will be bankrupt '|



Now consider that long term care doesn't automatically mean "nursing home." Many people receive health care services outside the walls of the traditional care facility. In fact, some stay right in their own homes and hire skilled professionals who help with activities like bathing, dressing, and even some basic medical attention.

So even if you don't anticipate needing care at a nursing home, you may still benefit from long term care insurance. Here are some more facts to help you think it through:

- [7 6 million individuals are receiving home care services\*
- Home care on average costs \$18 00 per hour over \$52,000 per year for 8 hours of care per day <sup>3</sup>]

#### [ www medicare gov, March, 2005

- ½ Kîplinger's Retirement Report, March 2004
- 1 2004 Field Guide, National Underwitter, 2004
- · Basic Statistics about Home Care, National Association for Home Care and Hospice, 2004
- 5 Long-Term Care Cost Finder, CNNmoney.com, 2005 ]

## Planning ahead is a smart move.

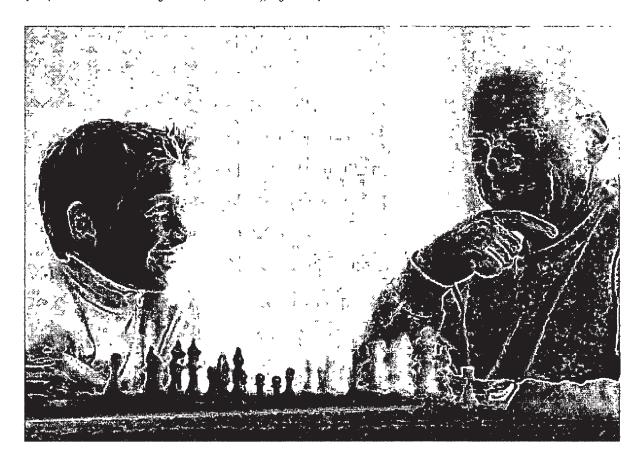
By purchasing a long term care insurance policy now – during your younger, potentially healthier years – you'll save substantially on your premium payments. Why? Because today you are more likely to be insurable. When it comes to buying long term care insurance, good health is a real advantage.

[If you consider that nearly 5 million of the 12 million Americans who need long term care are working-age adults,] it makes sense to secure coverage when it's most affordable – even if you start with a very basic policy.]

In fact, purchasing [Generation Protector II] now is probably one of the easiest and least expensive ways to acquire the protection you're looking for in long term care insurance. You can start with a basic, affordable policy and then enhance your coverage later on with no need for underwriting

Our enhanced coverage option is a first of its kind for long term care insurance. Just choose a policy that offers the price and protection you can afford today, and we'll make sure you have the flexibility you may need down the road So lock in your health advantage now!

['"Prepare for the Unthinkable Long Term Care," MSN Money, August 2005 ]



## What makes [Generation Protector II] so special?

How do I qualify for benefits?

After providing proof of loss, you can receive benefits for covered care if you have satisfied your policy's elimination period and

- You are certified unable to perform two of the six activities of daily living (ADLs) without substantial assistance, and substantial assistance is expected to be required for at least 90 continuous days, or
- You require substantial supervision due to a severe cognitive impairment. A severe cognitive impairment is the deterioration or loss of your intellectual capacity.

  Note: ADIA include by these.

your intellectual capacity Note ADLs include bathing, eating, dressing, toileting, continence, and transferring [Generation Protector II] stands apart from other long term care insurance policies, giving you a range of choices to suit your lifestyle. You choose

- Your maximum daily benefit from \$50 to \$500 per day
- When your benefits will begin you can choose an elimination period of 7, 30, 60, 90, 180, or 365 days of qualifying care
- How long benefits will be paid from a specified number of years to as long as you live
- If you'd like a hybrid long term care insurance policy a first of its kind!
- How much you receive for care in the comfort of your home get up to 130% of your policy's daily facility care benefit for home health care, adult day care, or hospice care
- Other policy options and riders make your [Generation Protector II] coverage a perfect match for your care needs



## [Generation Protector II] offers options and riders to match your lifestyle.

#### Hybrid payment system

[Generation Protector II] gives you the option to receive reimbursement benefits, cash benefits, or a combination of both types of benefits called a "hybrid"

By choosing a hybrid policy you can receive a guaranteed sum of cash in addition to your daily reimbursement rate. Cash benefits are paid monthly, and you can use the cash to pay for all sorts of things not usually covered by conventional long term care insurance.

You may choose to receive 10%, 25%, or even 50% of your daily benefit as cash. So if you want a \$100 daily benefit, for example, you can select to receive up to the entire amount as reimbursement, or up to \$50 (or 50%) of that amount as cash paid as a monthly sum of \$1500. This is calculated as \$50 multiplied by 30 days.

If you prefer to receive cash and not get involved with reimbursement at all, [Generation Protector II] also offers a full cash benefit option. You can select to receive your entire daily benefit as a single monthly cash payment instead. Following the example above, if you would like a \$100 daily benefit as 100% cash, you would receive a \$3000 cash payment each month. Again, this is calculated as \$100 multiplied by 30 days.

No matter how much cash benefit you choose to receive, you can use this money to pay for prescriptions, care from family members, lawn service, transportation, and more!

#### Independent caregivers

Selecting care providers is an important and personal decision. And [Generation Protector II] honors your individual preference. This means you don't have to go through a home health care agency for services. [Generation Protector II] will also pay for alternative home health care providers including private, independent home health aides and caregivers, giving you the freedom to choose what makes you most comfortable.



## More options to match your lifestyle

#### Enhanced coverage option'

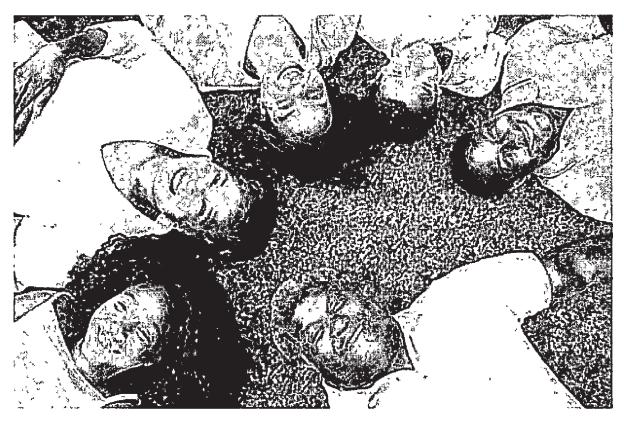
Most long term care insurance products require you to make permanent choices at the moment you purchase the policy Such a long term decision could potentially mean

- Inadequate coverage later on if you choose the least expensive policy
- Unmanageable premiums today if you choose higher coverage than you can afford
- Problems with insurability if your health changes

However, [Generation Protector II] lets you increase your coverage every five years' without additional underwriting. So you can buy the policy you can afford now and then add to your benefit package in later years. Any enhanced coverage is priced according to your attained age at the time of the enhancement purchase.

There are three ways you can enhance your coverage under this option. You can

- Increase your daily benefit amount based on the inflation environment
- Increase your benefit period
- Decrease your elimination period
- 'This feature is not available with the 10-pay option or with the paid-up-at-age-65 option
- <sup>2</sup> The enhanced coverage option is available every five years up to and including your 30th policy anniversary



#### Here's an example of how this may work.

Ben purchases the [Generation Protector II] at age 55. He has a daily benefit of \$100, a benefit period of three years, no inflation adjustment, and a 90-day elimination period. Here's what his coverage looks like

| BEN'S ORIGINAL POLICY      |              |                |                    |  |
|----------------------------|--------------|----------------|--------------------|--|
| Client (Ben) Daily benefit |              | Benefit period | Elimination period |  |
| Male age 55                | \$ \$100 ( ) | 3 years        | 90 days            |  |

Five years later, Ben decides he would like to enhance his daily benefit amount to cover inflation. He also wants to increase his benefit period by one year. Finally, he'd like to decrease his elimination period from 90 to 60 days. Without any underwriting at all, Ben's enhanced [Generation Protector II] benefits look like this.

| BEN'S NEW COVERAGE USING THE ENHANCED COVERAGE OPTION |  |                   |                    |  |
|---|--|-------------------|--------------------|--|
| Client (Ben) Daily benefit                            |  | Benefit period    | Elimination period |  |
| À Âgề 55 (Qìnginál)                                   | * <sup>1</sup> \$\(\frac{1}{2}\)\ | 🐔 3 years 🎨       | ÿ 390 days / 43°.  |  |
| Åge 60 (Upgråde)                                      | [\$28 additional ** [\$26 inflation']  | 1 additional year | Reduced to 60 days |  |
| Age 65 (Upgrade)                                      | [\$35 additional   |                   |                    |  |
| Age 65 (Total)  | \$163 daily benefit  | 4 years           | 60 days            |  |

As you can see, Ben gains considerable benefits in how much he receives, for how long, and when Plus, the premium for his initial coverage that he purchased at age 55 remains the same. Only Ben's enhanced coverage is priced according to his attained age when he purchases the enhancement. So he's able to save money during his first five policy years by maintaining a basic policy, then is able to enhance his coverage at a more affordable price than most long term care insurance policies would offer

[ This calculation is based on the Consumer Price Index increased at 5% compounding for five years ]

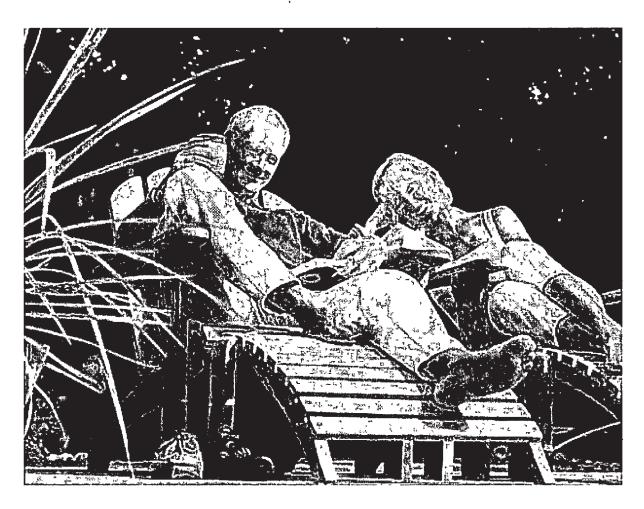
# That's the **Allianz Life** advantage!

#### 10-pay option

Some people prefer to pay for their long term care insurance policy as quickly as possible during their peak earning years, leaving them free to use future income on travel, second homes, or other things that enhance their later, active years. With [Generation Protector II], you have the option to make equal scheduled payments over 10 years so you can focus on other things that much sooner.

#### Paid-up-at-age-65 option

By choosing this option, you can wrap up your premium payments just when you are ready to retire Talk about good timing! You'll have the peace of mind of knowing your long term care coverage is paid in full, so you can enjoy the travel, activities, and relaxation you planned for during your golden years



Talk with your financial services professional about [Generation Protector II].



When you get dight down to it, the place where you want to have your long term care have needs met is in an environment that you know and love, surrounded by people you know and love. That means it's probably in your own home or community. You've made important decisions your whole life about how and where you live, and [Generation Protector IF] respects that.

Thank you for choosing [Generation Protector II].

#### **Exclusions and limitations.**

No benefits will be paid for any confinement, care, treatment, or service(s)

- For alcoholism or drug addiction
- That result from participating in a felony, a riot or an insurrection
- . That result from an act of war, declared or undeclared, or during service in the armed forces
- That result from your intentionally self-inflicted injury
- Provided outside the 50 states of the United States, the District of Columbia, or Canada, [except as described in the International Coverage Benefit Rider]
- · Provided to you by an Immediate Family Member or someone living in your home
- For which you have no financial liability or that are provided at no charge in the absence of insurance
- That are reimbursable under Medicare or would be so reimbursable but for the application of a deductible
  or coinsurance amount

### Our top priority is the safety of your money.

[All policies are issued by Allianz Life Insurance Company of North America, a member of the Allianz Group With over 700 subsidiaries in more than 70 countries, the Allianz Group is one of the world's leading providers of integrated financial services

Our goal is to provide policyholders with wealth management products that can help meet today's needs and financial objectives, with a product philosophy of offering fair and equitable values on each policy we issue

Allianz Life\* has consistently been assigned financial strength ratings by Standard & Poor's and A M. Best that are among the highest available. It is one of a select group of major insurance companies to receive such high ratings

These independent agency ratings are based on an analysis of financial results and evaluation of management objectives and strategies. The ratings do not indicate approval by the analysis and are subject to change

Innovative products, exceptional customer service, and sound financial strength make Allianz Life the place to turn to help meet your retirement objectives ]

Policies are issued by Allianz Life Insurance Company of North America (form number 11-P-Q)

| Agent name     |  |
|----------------|--|
| _              |  |
| License number |  |

Allianz Life Insurance Company of North America

[PO Box 1292 Minneapolis, MN 55440-1292

800/950-1962 www.allianzlife.com)

Product availability and benefits may vary by state

#### Component Header SERT-6P8JCX819/00-05/00-00/00

#### **Component Header**

Component 05 - Rev 00

Created by Tammy Smasal on 04/26/2006

Assigned To Mary Ann Mason, [Receiver]

Company List Allianz Life Insurance Company

Sent 04/26/2006 09 43 27 AM

Other Authors None

TOI LTC03I Individual Long Term Care

SubTOI LTC03I 001 Qualified

**Tracking Information:** 

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04/26/2006 09 56 44 AM

Delivery Date Reviewer

Implementation

Date

(State)

None

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Reviewer Phone

SERFF Tracking #

Mary Ann Mason, [Receiver]

Assigned to Reviewer

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None

Reviewer Fax Primary Reviewer None None None

Status

**Component Information:** 

Component Type

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Component Action State Specific Code

Initial None

Lead Form Number 11-CB N/A

Requirement

Satisfied

**Brief Description** 

Consumer Product Guide (11-CPG)

Filer's Notes

Document(s) None

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

**Company Information** 

Allianz Life Insurance Company of North

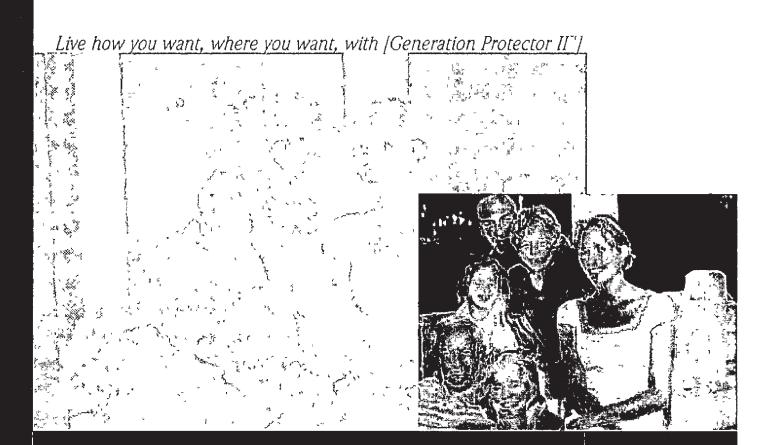
Contact

Smasal, Tammy

America

File Attachments:

11-CPG pdf



Freedom of choice and the comfort of home in one long term care insurance policy

## Product Guide

[Generation Protector II]

[ Allianz Life\* The best at next." ]

# [Generation Protector III] Product features and additional ride

#### Long term care insurance coverage

 The policy provides comprehensive long term care coverage, including nursing facility, assisted living facility, and home and community care services

#### Daily benefit amounts

 You may choose a daily benefit amount from \$50 to \$500, in \$10 increments, to cover nursing facility or assisted living facility care. For home and community center care, choose 70%, 100%, or 130% of the facility care daily benefit amount elected.

#### Benefit periods

. You may choose from 2, 3, 4, 5, or 8 years, or unlimited benefits

#### Maximum lifetime benefit

 The maximum lifetime benefit is calculated as the facility care daily benefit times the benefit period (in years) times 365

#### Elimination period

 7-, 30-, 60-, 90-, 180- or 365-day elimination periods are available. The elimination period must be satisfied only once during your lifetime. Once satisfied, no further elimination period is required. The elimination period applies to each insured if you have chosen spousal coverage.

#### **Guaranteed renewability**

 Allianz Life\* will never cancel, refuse to renew, or place restrictive riders on coverage once issued, as long as premiums are paid as billed

#### Five year rate guarantee

#### International coverage benefit rider

#### 30% discount for spousal policies

#### 10% household discount and 10% married discount

#### Waiver of premium benefit

 If you have satisfied the elimination period and are eligible for benefit payments, premiums will be waived as they come due Premiums will continue to be waived for as long as benefits remain payable

#### Caregiver training benefit

 These funds can be used to train a friend or family member to provide your care. The benefit is equal to five times the facility care daily benefit.

#### Respite care benefit

 These benefits for an alternate caregiver can be used to give your daily informal caregiver a break, up to 30 days per year

#### Care coordination advisor benefit

 This voluntary program offers you and your family direct assistance in developing a plan of care, and locating and coordinating care services

#### Bed reservation benefit

 If you are receiving benefits during confinement to a nursing facility or assisted living facility, we will continue to pay up to the maximum facility care daily benefit amount if you become hospitalized or temporarily leave the facility and are billed by the facility to reserve existing accommodations. This benefit is payable for a maximum of 60 days per year.

#### **Underwriting classes**

- · Five underwriting classes are available
  - Preferred Plus Preferred Standard
  - Select ! Select !!

#### **Issue ages**

Issue ages are 18-84, age at last birthday

#### Qualifying for benefits

- After providing proof of loss, benefits for covered care services become payable if you have satisfied the elimination period and
  - You are certified, within the previous 12 months, as being unable to perform two out of six activities of daily living (ADLs)<sup>3</sup> without substantial assistance from another individual, and the condition is expected to last for at least 90 continuous days, or
- You require substantial supervision due to a severe cognitive impairment. Severe cognitive impairment means a deficiency in short or long term memory, orientation as to person, place, or time, deductive or abstract reasoning, or judgment as it relates to safety awareness.

#### Payment modes

- Traditional modes of payment are available Choice of annual, semi-annual, quarterly, or monthly pre-authorized bank draft
- [• Payment by credit card is also available]

#### **Endorsed group discount**

 We offer a 5% premium discount to members of eligible endorsed groups. Prior to submission of the endorsed group business, an application for approval of the endorsed group must be submitted to Allianz Life for review and approval

#### Policyholder discount

 We offer a 5% premium discount for any existing Allianz Life annuity or life policyholder

#### **Coverage Enhancement Rider**

 You can enhance your coverage every five years without underwriting. This rider will not be issued if you select the 10-year premium payment rider or paid up at age 65 rider.
 It is available up to and including your 30th policy anniversary.

Benefits may vary by state

<sup>2</sup> Options may vary by state

<sup>3</sup> ADLs are bathing, eating, dressing, toileting, continence, and transferring



### ers available

#### Monthly indemnity benefit:

 You can choose 10%, 25%, or 50% of your daily benefit as cash, or indemnity, which will be paid monthly

#### Full indemnity benefit rider

 You can choose to have your entire daily benefit as cash, or indemnity, up to \$250 a day. You may not select this rider if you've chosen an 8-year or lifetime benefit period, or if you've chosen the 10-pay rider, paid up at age 65 rider, restoration of benefits opbon, or spousal shared care rider.

### Waiver of home and community care elimination period rider

 This rider waives the elimination period while you are chronically ill and receiving home and community care. Each day you receive benefit payments for home and community care will count toward satisfying the facility care elimination period. You may not select this rider if you've chosen a 180- or 365-day elimination period.

#### Calendar day elimination period

 From the first day of qualified long term care services, each day you are chronically ill counts toward the elimination period (rather than counting the days of provided services)

#### Home and community care monthly benefit

 This benefit converts the daily home and community care benefit to a monthly benefit that can be applied to care received during that month

#### Spousal shared care rider

 You and your spouse can share the maximum lifetime benefit amounts. You may not choose this nder if you've selected the lifetime benefit period or restoration of benefits option.

#### Spousal waiver of premium rider

 Your premiums are waived for both you and your spouse if one of you is eligible for benefit payments

#### Spousal súrvivorship rider

 The policy is fully paid up if either you or your spouse dies after both policies have been in force for at least 10 years

### 3%, 4%, or 5% lifetime compound benefit increase rider

 These riders increase the daily benefits and remaining maximum lifetime benefit by 3%, 4%, or 5% each year until the policy terminates

#### Two times compound benefit increase rider

This rider increases the daily benefits and remaining maximum
lifetime benefit by 5% each year until the current benefits exceed
two times the original benefits

#### Simple benefit increase rider

 Daily benefit and remaining maximum lifetime benefit amounts increase each year by 5% of the original benefit amounts until the policy terminates

#### 10-pay premium rider

 Your policy is fully paid up if the required premium has been paid for 10 years

#### Paid up at age 65 rider

 Your policy is fully paid up if the required premium has been paid until you reach age 65

#### Shortened benefit rider

• The rider provides an extended benefit if the policy lapses after three or more years. Coverage continues until the total of benefits paid under the policy and riders, including benefits paid before lapse, equals the total premiums paid, but is never less than 30 times the facility care daily benefit in effect at the time of the lapse. There is no cash value or death benefit if this rider is not selected, a contingent benefit upon lapse rider will be issued at no cost.

#### Return of premium upon death benefit

Death benefit is equal to the total of all premiums paid less all benefits received

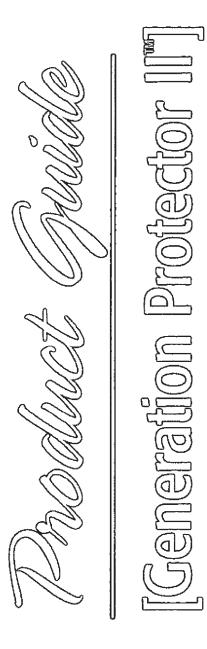
#### Full return of premium upon death benefit

· Death benefit is equal to the total of all premiums paid

#### Restoration of benefits rider

 Restores the full maximum value of benefits after insured recovers from illness and benefits are not payable for 180 consecutive days. May not be selected with the spousal shared care rider or lifetime benefit period.





Allianz Life Insurance Company of North America

[PO Box 1292 Minneapolis, MN 95440-1292

800/950-1952 www.allianzlife.com[]

Product availability and benefits may vary by state.

[(10/2005)]

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Assigned To Mary Ann Mason, [Receiver]

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Other Authors None

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SubTOI LTC03I 001 Qualified

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Component Status

SERFF Tracking #

(SERFF)

Delivery Date

Reviewer

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04/26/2006 09 56 44 AM

Mary Ann Mason, [Receiver]

Date

(State)

Deemer Date Effective Date

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None

Reviewer Phone

Reviewer Fax Primary Reviewer None None None

Status

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Component Information:

Component Type Lead Form Number Advertisement

11-CB

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Brief Description

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Filer's Notes Document(s)

None

N/A

Company Contact:

Lead Company

Allianz Life Insurance Company of North America

Company Information

Allianz Life Insurance Company of North

America

Smasal, Tammy

File Attachments:

11-CB-SEL pdf



# Live simply and confidently with



Ready-made solutions that take the guesswork out of long term care insurance

[Generation Protector Select<sup>™</sup>]



# With [Generation Protector Select] from Allianz Life, long term care insurance makes sense.

Just the thought of deciding on a long term care insurance policy can be exhausting. How much money will you need? For how long? How do the benefits get paid? Who will take care of you?

[Generation Protector Select<sup>™</sup>] has turned these complex questions into a clear and concise way to choose a plan that protects you, your family, and your lifestyle. You simply review a selection of comprehensive, easy-to-understand benefit packages and pick the one that best suits you

Other special features, such as inflation protection or spousal shared care, are also available to meet your specific situation and goals. But you won't get bogged down with endless decisions. Generation Protector's value-added packages are pre-designed for one reason, your convenience.

[Generation Protector Select] makes it simple to plan for your future long term care, and gives you the comfort of knowing you're covered

## You may be wondering if you need long term care insurance.

You've been working hard to build a financial future for yourself and your family No doubt you're looking forward to many years of fun, comfort, and relaxation. In this day and age, you don't have to let long term care expenses get in the way of a long and happy retirement. And knowing the facts is the first step to being prepared. Just consider that:

- [At least 40% of people over age 65 will need nursing home care someday, and of those people, about 10% will stay in a nursing home for five or more years'
- The average cost of living in a nursing home in the United States is \$57,700° per year (not including what may be the cost of a spouse or adult child continuing to live at home)
- The average nursing home stay (approximately 2.4 years) will cost roughly a half million dollars (\$468,960) by the year 2030.
- Two-thirds of single people and one-third of married couples exhaust their funds after just 13 weeks in a nursing home. Within two years, 90% will be bankrupt 1



Now consider that long term care doesn't automatically mean "nursing home" Many people receive health care services outside the walls of the traditional care facility. In fact, some stay right in their own homes and hire skilled professionals who help with activities like bathing, dressing, and even some basic medical attention

So even if you don't anticipate needing care at a nursing home, you may still benefit from long term care insurance. Here are some more facts to help you think it through

- 17 6 million individuals are receiving home care services\*
- Home care on average costs \$18 00 per hour over \$52,000 per year for 8 hours of care per day 3

[ www medicare gov, March 2005

- Kiplinger's Retirement Report, March 2004
- 2004 Field Guide, National Underwriter, 2004
- \* Basic Statistics about Home Care, National Association for Home Care and Hospice, 2004
- Long-Term Care Cost Finder, CNNmoney com, 2005 ]

# You can count on Allianz Life for the long term.

As you plan for your future, you want a company you can trust to be there in your time of need. Allianz Life is that company



# Take comfort in global stability.

Founded in 1896, Allianz Life is a leading provider of long term care insurance products, fixed and variable annuities, and life insurance. It is one of the primary companies of the Allianz Group – a provider of asset management services, banking, and life, health, and property-casualty insurance in over 70 countries around the globe

# Rely on our staying power

Built from this solid foundation of providing insurance and financial services, Allianz Life has made long term care coverage our business since 1990 We are pleased to offer some of the most competitive and innovative long term care insurance products available. Our ongoing commitment is to provide flexible and comprehensive coverage at affordable prices to help protect your nest egg, while offering options that let you tailor coverage to your individual financial needs

From innovative products to exceptional customer service, Allianz Life is a trusted source for providing people just like you the coverage you need. When it comes to long term care insurance, we'll be here for a long, long time

# Choosing the right long term care insurance policy is simple. Just start with the basics.

When you purchase [Generation Protector Select], you make a few quick choices to create the best long term care experience possible. Here are some of the value-added benefits that can make up your long term care insurance policy.

# The amount of money you might need

Your first choice is the amount of your maximum daily benefit – from \$50 to \$500 per day

# The length of time your benefits will be paid

Your policy can pay your long term care benefits for 3, 4, or 5 years

# A hedge against inflation

The inflation protection options offered by [Generation Protector Select] allow you to protect yourself against the rising costs of living You can choose a two times compound, 3%, 4%, or 5% compound, or 5% simple benefit increase

# The spousal shared care option

If you and your spouse are both covered by [Generation Protector Select], you can share benefits with each other as the need arises.

Now it's time to pick your package...



How do I qualify for benefits?

After providing proof of loss, you can receive benefits for covered care if you have satisfied your policy's elimination period and

- You are certified unable to perform two of the six activities of daily living (ADLs) without substantial assistance, and substantial assistance is expected to be required for at least 90 continuous days, or
- You require substantial supervision due to a severe cognitive impairment. A severe cognitive impairment is the deterioration or loss of your intellectual capacity.

Note ADLs include bathing, eating, dressing, toileting, continence, and transferring

# Our value-added benefit packages are as easy as A, B, C.

[Generation Protector Select] makes it convenient to pick the right set of long term care benefits based on your personal preference. You can choose an amount, which is a percentage of your facility care benefit, to cover your home and community care. And you can select between monthly or daily benefits for home and community care to match your situation and lifestyle. You may even decide that an additional cash benefit would work better for you.

# Just pick the benefit package that suits your own needs:

| Benefit   | Package A                               | Package B                                | Package C  |
|---|---|--|--|
| Home and community care benefit This is the amount you can receive for care in the comfort of your own home or community. Use these benefits for home health care, adult day services, or hospice care.   | 70% of your<br>facility care<br>benefit | 100% of your<br>facility care<br>benefit | 130% of your<br>facility care<br>benefit                 |
| Daily or monthly home and community care benefit You may choose to receive the home and community care benefits as a maximum daily benefit, or if you prefer, as a maximum monthly benefit [Generation Protector Select] lets you pick what's right for you   | Daily benefit                           | Monthly benefit                          | Monthly benefit  |
| Elimination period  Before you will begin receiving your benefit payments, a specific number of calendar days must pass   | 90 calendar days                        | 90 calendar days                         | 90 caléndar days   |
| Monthly indemnity benefit You can choose to receive a monthly cash payment in addition to reimbursement, benefits You can use this money to pay for prescriptions, care from family members, lawn service, transportation, and many other things not usually covered by conventional long term care insurance | Not available                           | Not available                            | 25% of your<br>maximum daily<br>benefit times<br>30 days |

# Whatever your age, now is the right time.

By purchasing a long term care insurance policy now — during your younger, potentially healthier years — you'll save substantially on your premium payments. Why? Because today you are more likely to be insurable. When it comes to buying long term care insurance, good health is a real advantage.

[If you consider that nearly 5 million of the 12 million Americans who need long term care are working-age adults, it makes sense to secure coverage when it's most affordable – even if you start with very basic coverage | But what if you want to increase your benefits later? Don't worry – [Generation Protector Select] has you covered

# Our enhanced coverage option is a first of its kind

Most long term care insurance products require you to make permanent choices at the moment you purchase the policy Such a long-term decision could potentially mean

- Inadequate coverage later on if you choose the least expensive policy
- Unmanageable premiums today if you choose higher coverage than you can afford
- Problems with insurability if your health changes

However, [Generation Protector Select] lets you increase your coverage every five years without additional underwriting? There are three ways you can enhance your coverage under this option. You can.

- Increase your daily benefit amount based on the inflation environment
- Increase your benefit period
- Decrease your elimination period

Keep in mind that the premium for your initial coverage remains the same Only your enhanced coverage is priced according to your attained age when you purchase the enhancement. So with [Generation Protector Select], you can get a policy that offers the price and protection that makes sense today **and** the flexibility to enhance your benefits down the road.

[1"Prepare for the Unthinkable Long Term Care", MSN Money, August 2005

# That's the

# **Allianz Life**

advantage!

You've made important decisions your whole life about how and where you live Talk with your financial services professional about how [Generation Protector Select] can help make your decision about long term care insurance as simple and sensible as possible, so you can live in confidence for years to come

Thank you for choosing [Generation Protector Select<sup>™</sup>]

<sup>&</sup>lt;sup>3</sup>The enhanced coverage option is available every five years up to and including your 30th policy anniversary)

# **Exclusions and limitations.**

No benefits will be paid for any confinement, care, treatment, or service(s)

- For alcoholism or drug addiction
- That result from participating in a felony, a riot or an insurrection
- · That result from an act of war, declared or undeclared, or during service in the armed forces
- · That result from your intentionally self-inflicted injury
- Provided outside the 50 states of the United States, the District of Columbia, or Canada, [except as described in the International Coverage Benefit Rider]
- · Provided to you by an Immediate Family Member or someone living in your home
- · For which you have no financial liability or that are provided at no charge in the absence of insurance
- That are reimbursable under Medicare or would be so reimbursable but for the application of a deductible or coinsurance amount

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Innovative products, exceptional customer service, and sound financial strength make Allianz Life the place to turn to help meet your retirement objectives ]

Policies are issued by Allianz Life Insurance Company of North America (form number 11-P-Q)

| Agent name     | <br> | <br> |  |
|----------------|------|------|--|
|                |      |      |  |
| License number |      |      |  |

Allianz Life Insurance Company of North America

[PO Box 1292 Minneapolis, MN 55440-1292

800/950-1962 www.allianzlife.com]

Product availability and benefits may vary by state

[(11/2005)]

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# **Component Header**

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Reviewer Phone

Reviewer Fax Primary Reviewer None None None

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Brief Description

Consumer Brochure (11-CB-EMP)

Filer's Notes Document(s) None None

N/A

**Company Contact:** 

Lead Company

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**Company Information** 

Allianz Life Insurance Company of North

Contact Smasal, Tammy

America

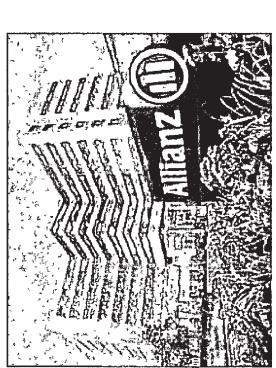
File Attachments:

11-CB-EMP pdf



# Global stability. Financial staying power

Innovative products. Allianz Life offers the right combination to help your employees achieve their financial goals, while helping you build a more confident workforce



At Allianz Life® our vision is that every American will have the opportunity to live out their life with financial independence.

Thank you for choosing Allianz Life' for your employees' long term insurance care needs.

Allianz Life Insurance Company of North America

[PO Box 1292 Minneapolis, MN 55440-1292 800/950-1962

www allianzlife com] Product availability and benefits may vary by state

[(11/2005)]

Turning risk into benefit

How you can enrich your employee benefit package with long term care insurance

Allianz Life Insurance Company of North America

11-CB-EMP

# Long term care: a real possibility for today's workforce.

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Long term care insurance: a value to your employees and your business.

Allianz Life: a long term partner you can count on.

More and more Americans – including many healthy, working age adults – are likely to need long term care at some point in their lives. And that need comes at a cost. Consider that

- [At least 40% of people over age 65 will need nursing home care some day, and of those people, about 10% will stay in a nursing home for five or more years!
- The average cost of living in a nursing home in the United States is \$57,700 per year²
- By 2030, 20% of all people in the U S will have passed age 65 <sup>3</sup> By then the average nursing home stay will cost \$468.940 <sup>4</sup>

Many of your own employees may be contemplating long term care and its daunting financial implications [In fact, 48% of today's workers are not confident in their ability to pay for long term care in retirement?]

The real possibility of needing long term care is clear. The question is

# How can you help your employees prepare for the future?

(\*) www.medicare gov, March 2005

- · Kiplinger's Retirement Report, March 2004
- Executive Summary. The State of Aging and Health in America,
  - Centers for Disease Control, 2004

    Kiplinger's Retirement Report, March 2004

When you offer your employees long term care insurance, you're providing more than an employment benefit

[Given that nearly 5 million of the 12 million Americans who need long term care are working-age adults, you're giving your employees the comfort of knowing they'll be covered | You're giving them the confidence that they can make their own health care decisions. And you're providing invaluable financial security by helping to protect their hard-earned assets

Long term care insurance can also make good economic sense and can be a sound business strategy

By offering long term care coverage as part of your comprehensive benefit package, you can enhance the vitality of your own business by

- Attracting and retaining superior employees
- Staying competitive with or surpassing other companies in your industry
- Increasing employee satisfaction and productivity

Think of long term care insurance as a "win-win" for the employees you value and care about, and the business you worked so hard to build

- ' 2004 Retirement Confidence Survey, Employee Benefit
  - Research Institute, 2004
- "Prepare for the Unthinkable Long Term Care," MSN Money, August 2005 ]

As you consider long term care insurance, you want a company you can trust to be there in your employees' time of need. Allianz Life\* is that company.

Founded in 1896, Alhanz Life is a leading provider of long term care insurance products, fixed and variable annuities, and life insurance. It is one of the primary companies of the Allianz Group — a provider of asset management services, banking, and life, health, and property-casualty insurance in over 70 countries around the globe

Built from this solid foundation of providing insurance and financial services, Allianz Life has made long term care coverage our business since 1990. We are pleased to offer some of the most competitive and innovative long term care insurance products available. Our ongoing commitment is to provide flexible and comprehensive coverage at affordable prices to help protect your employees' wealth against the rising costs of healthcare.

Il think long term care is the greatest concern in terms of financial security for people today [It can] ruin people financially more quickly than anything else out there

 Carrie Le Grice Associate Editor Senior Market Advisor July 2005]

# Component Header SERT-6P8JCX819/00-08/00-00/00

# **Component Header**

Component 08 - Rev 00

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Other Authors None

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SubTOI LTC03I 001 Qualified

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Effective Date Requirement

None None

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Virginia

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Component Status

(SERFF) Delivery Date

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Reviewer Phone Reviewer Fax

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Contact

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Consumer Brochure (0-SCB3)

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Company Contact:

Lead Company

Allianz Life Insurance Company of North America

Company Information

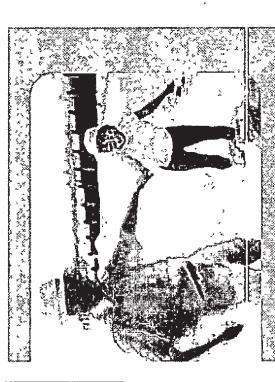
Allianz Life Insurance Company of North

America

Smasal, Tammy

File Attachments:

0-SCB3 pdf



# Seven Priorities of Senior Citizens

f you're like most people, you want to:
Preserve your financial independence

Avoid depending upon family members or your care

Protect your assets and have an estate for your heirs

Be seen as a blessing by your loved ones, not a burden 🖔 Maintain the wealth you created over

Assure that you have access to quality care

Avoid leaving a legacy of debt to your oouse or children Long term care insurance can help you achieve these goals.

# **Count on our strength**

subsidiaries in more than 70 countries, the Allianz Group is one North America, a member of the Allianz Group With over 700 of the world's leading providers of integrated financial services All policies are issued by Allianz Life Insurance Company of

Our goal is to provide policyholders with wealth management objectives, with a product philosophy of offering fair and products that can help meet today's needs and financial equitable values on each policy we issue

ratings by Standard & Poor's and A.M. Best that are among the righest available it is one of a select group of major insurance Allianz Life\* has consistently been assigned financial strength companies to receive such high ratings These independent agency ratings are based on an analysis of inancial results and evaluation of management objectives and strategies. The ratings do not indicate approval by the analysts and are subject to change innovative products, exceptional customer service, and sound financial strength make Allianz Life the place to turn to help meet your retirement objectives

Agent name

License number

Allianz Life Insurance Company of North America Policies are issued by

MO Residents LTC Buyer's Guide available upon request from the Missouri Department of Insurance, 800/726-7390

Allianz Life Insurance Company of North America

Minneapolis, MN 55440-1292 PO Box 1292

www allianzlife com



# Assessing the Risks

Facts about Long Term Care

# Know the facts

84% of Americans have had at least some experience with nursing homes – either as a patient or a visitor, and 46% say a family member or close friend has been in a home in the past three years (Sentor Journal, July 2005)

Medicare generally doesn't pay for long term care (www.medicare.gov, 2005.)

48% of today's workers are not confident in their ability to pay for long term care in retirement. (Retirement Confidence Survey, Employee Benefit Research Institute, 2004)

By 2030, 20% of all Americans, or about 70 million people, will have passed their 65th birthday. The average 75-year-old has three chronic conditions and uses five prescription drugs.

(Executive Summary, The State of Aging and Health In America, Centers for Disease Control, 2004)



# Assess the risks

You have a con-th-63 chance of your house being damaged by film

(four surely your home is covered)

You have a constitutive diames of your car being damaged in an academia four you wouldn't drive withour auto insurance)

Butyon have a 50% chance that you will need long tarm ære at some point in your life. lso why wouldn't you tnsme Bou independencell

(12009 Anotal Courts, National Undownites, 2004)



Two-thirds of single people and one-third of married couples exhaust their funds after just 13 weeks in a nursing home Within two years, 90% will be bankrupt.

(2004 Field Guide, National Underwriter, 2004)

The average cost per year of nursing home care is \$57.700.

(Kiplinger's Retirement Report, March 2004)

The median cost of care in an assisted living facility is \$30,000 per year (Adult Day Care Services, AARP, February 2004)

By 2030, the average nursing home stay will cost approximately half a million dollars (\$468,960) (Kiplinger's Retirement Report, March 2004)

"I think LTC is the greatest concern in terms of financial security for people today. [It can] ruin people financially quicker than anything else out there." - Garie LeGrice, Associate Editor, Senior Market Advisor,

# Component Header SERT-6P8JCX819/00-09/00-00/00

# **Component Header**

Component 09 - Rev 00

Created by Tammy Smasal on 04/26/2006

Assigned To Mary Ann Mason, [Receiver]

Company List Allianz Life Insurance Company

Sent 04/26/2006 09 43 27 AM

Other Authors None

TOI LTC03I Individual Long Term Care

SubTOI LTC03I 001 Qualified

**Tracking Information:** 

State

(State)

Date Deemer Date Virginia

State Tracking # Component Status 7/26579

Disapproved

Disposition Date Implementation

None

None None

Effective Date None Requirement None

Status

SERFF Tracking #

Component Status

(SERFF)

Delivery Date

Reviewer

04/26/2006 09 56 45 AM

Mary Ann Mason, [Receiver]

Pending Industry Response

SERT-6P8JCX819/00-09/00-00/00

Reviewer Phone Reviewer Fax

Primary Reviewer

None None

None

**Component Information:** 

Component Type

Advertisement1

Component Action State Specific Code Initial None

Lead Form Number 11-CB Requirement N/A

Satisfied

**Brief Description** 

Consumer Advertisement (0-M91)

Filer's Notes Document(s) None None

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

Company Information

Allianz Life Insurance Company of North

America

Smasal, Tammy

File Attachments:

0-M91 pdf

# Problem Report SERT-6P8JCX819/00-09/00-01/00

# **Problem Report**

Filing Originally Sent 04/26/2006 09 43 27 Report Type Problem Report

Company

Sub TOI

Date

Allianz Life Insurance

LTC03I 001 Qualified

Created by Mary Ann Mason on 05/22/2006 Sent 05/22/2006 10 23 28 AM

Response To ComponentHeader State Virginia

SERFF Tracking SERT-6P8JCX819/00-09/00-00/00 SERT-6P8JCX819/00-09/00-01/00 Response To

SERFF Tracking No No

Allianz Life Insurance

Company of North America

Company of North America Generation Protector GenPro II Advertising Product Name Project Name

II/Select

11-CB Filing Date 04/26/2006 09 43 27 AM Project No

State Tracking No 7/26579 Company Tracking None

TOI LTC03I Individual Long

Term Care

**SERFF Status** Report Status Incomplete Filing None Reviewer Phone No None Status Effective 05/22/2006

Report Information: Problem Report

No problem descriptions

Applies to None

Components

Lead Company

Comments Form 0-M91 shows the name of the company and form number in brackets

Please remove brackets

The certification of compliance does not display the signature of the

officer of the company Please include

Mary Ann Mason @804 371-9348

File Attachments: None

# Component Header SERT-6P8JCX819/00-09/01-00/00

# **Component Header**

Component 09 - Rev 01 Sent 04/26/2006 09 43 00 AM

Created by Tammy Smasal on 05/23/2006 Other Authors None

Assigned To Mary Ann Mason, [Receiver] TOI LTC031 Individual Long Term Care

Company List Allianz Life Insurance Company SubTOI LTC03I 001 Qualified

**Tracking Information:** 

State Virginia ;

State Tracking # 7/26579 SERFF Tracking # SERT-6P8JCX819/00-09/01-00/00
Component Status Filed Component Status Visual by State

Component Status Filed Component Status Viewed by State

(State) (SERFF)

Disposition Date None Delivery Date 05/23/2006 12 08 28 PM Implementation None Reviewer Mary Ann Mason, [Receiver]

Date
Deemer Date
None
Reviewer Phone
None

Effective Date None Reviewer Fax None Requirement None Primary Reviewer None

Status

**Component Information:** 

Component Type Advertisement Component Action Resubmitted Lead Form Number 11~CB State Specific Code None

Requirement N/A

Satisfied

Brief Description Response to 05/22/2006 Problem Report

Filer's Notes Attached is form 0-M91 revised to remove the brackets around the

company name With respect to brackets around the form number, brackets appear only around the revision date, which we do not consider part of the form number. This date would change if the

bracketed statistics and/or sources were updated

With respect to the certification of compliance not displaying the signature of the officer of the company, Vickie Hendrickson's electronic signature is displayed and she is, indeed, an officer of

the company (Assistant VP of Compliance)

Document(s) None

**Company Contact:** 

Lead Company Allianz Life Insurance Company of North America

Company Information Contact

Allianz Life Insurance Company of North Smasal, Tammy

America

File Attachments: 0-M91 pdf



Allianz Life Insurance Company of North America will be there for you.

# When considering **long** term care coverage, consider a **long term** company.

Allianz Life® has made long term care coverage our business for more than 15 years, built on more than a 100-year foundation of providing insurance and financial services.

Consider just a few of the reasons you can trust our commitment to serving you:

- We have never raised rates on existing business
- You receive swift, personalized attention. We maintain in-house underwriters to ensure our service is convenient and responsive.
- You get your policy fast. We issue policies within four weeks on average.
- You're in good company [In 2004 we grew 103%, and were ranked the 7th largest long term care insurance company in America']
- You can rely on our financial staying power Allianz Life has consistently been assigned financial strength ratings by Standard & Poor's and A.M. Best that are among the highest available
   We are among a select group of major insurance companies to receive such high ratings
- Our company is backed by global stability. Allianz Life is part of the Allianz Group, [the world's third largest financial company?] offering asset management, banking operations, life, health, and property-casualty insurance in more than 70 countries.

From innovative products to exceptional customer service, Allianz Life is a trusted source for providing people just like you the coverage they need. When it comes to long term care insurance, we'll be here for a long, long time.

[LIMRA International, inc , 2004] [Based on assets as of 12/31/03, Wall Street Journal, 2004]

Allianz Life Insurance Company of North America

[PO Box 1292 Minneapolis, MN 55440-1292

800/950-1962 www allianzlife com]

0-M91 [(11/2005)]

Product availability and benefits may vary by state

[Allianz Life: The best at next\*]

# Component Header SERT-6P8JCX819/00-10/00-00/00

# **Component Header**

Component 10 - Rev 00

Created by Tammy Smasal on 04/26/2006

Assigned To Mary Ann Mason, [Receiver]

Company List Allianz Life Insurance Company

Sent 04/26/2006 09 43 27 AM

Other Authors None

TOI LTC03I Individual Long Term Care

SubTOI LTC03I 001 Qualified

**Tracking Information:** 

State

(State)

Virginia 7/26579

State Tracking # Component Status

Disposition Date

Implementation

Filed

(SERFF)

Reviewer

Delivery Date

None None

Date

Deemer Date None Effective Date None Requirement None

Status

SERFF Tracking #

SERT-6P8JCX819/00-10/00-00/00 Component Status

Assigned to Reviewer

Initial

None

04/26/2006 09 56 46 AM Mary Ann Mason, [Receiver]

Reviewer Phone None Reviewer Fax None

Component Action

State Specific Code

Primary Reviewer

None

**Component Information:** 

Component Type Lead Form Number Advertisement

11-CB

N/A

Requirement Satisfied

Brief Description

Illustration (11-ILL)

Filer's Notes Document(s)

None

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

Company Information

Allianz Life Insurance Company of North

America

Smasal, Tammy

File Attachments:

11-ILL pdf

of North America





This Illustration is a general description of benefits selected and is not a contract. Please refer to the accompanying Outline of Coverage for further details. Specific benefits payable are governed by the policy form for your state. The policy form number illustrated is #11-P-Q.

QUALIFIED TAX STATUS This illustrates a Long Term Care Insurance Contract intended to be a federally tax-qualified long term care insurance contract as defined under Section 7702B(b) of the Internal Revenue Code of 1986, as amended. As an insurance company we do not provide legal or tax advice. You should consult with your attorney, accountant or tax advisor regarding the tax implications of purchasing long term care insurance.

GUARANTEED RENEWABLE The contract is guaranteed renewable for life 
Premium rates are subject to change 
You may renew the contract for the rest of your life 
To renew, just pay the premium due 
It must be paid by the due date or within the Grace Period 
We cannot refuse to renew the contract if the premium is paid on time 
Premium rates are guaranteed not to change for the first five policy years 
After the fifth year, the company may change the premium rates, subject to the approval of the state insurance department, but only if we base the premium change, by class for everyone in your state, on the experience of this policy form 
We will give you at least 60 days written notice at your last address shown on our records before we change your premium rates

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Agent AgentFirstName AgentLastName DateMonthDayYearHourMinute PolicyFormNo Ver VerNo State IssState Page CurPage of TotPage Allianz Life' The best at next



ClientFirstName ClientLastName Elimination Penod Elim1

Needs to be satisfied only once

ClientGender ClientAge, ClientRiskClass Individual Modal Premium \$Modal\$1

# POLICY BENEFITS SELECTED

Facility Care Daily Benefit Amount
Home and Community Care Daily Benefit Amount (Percent%)
Benefit Penod
Maximum Lifetime Benefit
Elimination Period

\$DailyFC1 \$DailyHCC1 BenPeriod1 \$MaxLifeBen1 Elim1

# OPTIONAL BENEFITS SELECTED

If Poind1nder is illustrated

Full Indemnity Benefit Rider

Provides a monthly cash benefit in lieu of reimbursement of the Facility Care Daily Benefit and Home and Community Care Daily Benefit

End Polnd1

If MonthIndem1 is illustrated

Monthly Indemnity Benefit Rider

An amount equal to If MonthIndem1 > 0 MonthIndem1% of your daily benefit to be received as cash, or indemnity, paid on a monthly basis

End MonthIndem1

If 10Pay1is illustrated

10 Year Premium Payment Rider

Your policy is fully paid-up if the required premium has been paid for 10 years End 10Pay1

If Pay651 is illustrated

Paid Up at Age 65 Rider

Your policy is fully paid-up if the required premium has been paid until the first policy anniversary following your 65th birthday

End Pay651

If 5%Life1 is illustrated

5% Lifetime Compound Benefit Increase Rider

Each year your Facility Care Daily Benefit, Home and Community Care Daily Benefit, Monthly Indemnity Benefit (if elected), Full Indemnity Benefit (if elected), and remaining Maximum Lifetime Benefit increase by 5% of the previous year's amounts

End 5%Life1

If 2Xcola1 is illustrated

This is an illustration only, not an offer, contract, or promise of future policy performance. Coverage is subject to the terms and conditions of the policy. This illustration is not valid without all *Totpage* pages.

Agent AgentFirstName AgentLastName DateMonthDayYearHourMinute PolicyFormNo Ver VerNo State IssState Page CurPage of TotPage Allianz Life. The best at next."



ClientFirstName ClientLastName
Elimination Period Elim1

Needs to be satisfied only once

ClientGender ClientAge, ClientRiskClass Individual Modal Premium \$Modal\$1

# Two Times Compound Benefit Increase Rider

Each year your Facility Care Daily Benefit, Home and Community Based Care Daily Benefit, Monthly Indemnity Benefit (if elected), Full Indemnity Benefit (if elected), and remaining Maximum Lifetime Benefit increase by 5% of the previous year's amounts until the current benefit amounts exceed two times the original benefit amounts *End 2Xcola1* 

# If Simple1 is illustrated

#### Simple Benefit Increase Rider

Each year your Facility Care Daily Benefit, Home and Community Care Daily Benefit, Monthly Indemnity Benefit (if elected), and Full Indemnity Benefit (if elected), increase by 5% of the original benefit amounts. Your remaining Lifetime Benefit Pool is increased by 5% of the policy's initial benefit level divided by the benefit amounts just before the increase. End Simple 1

# If 3%Cola1 is illustrated

# 3% Lifetime Compound Benefit Increase Rider

Each year your Facility Care Facility Care Daily Benefit, Home and Community Care Daily Benefit, Monthly Indemnity Benefit (if elected), Full Indemnity Benefit (if elected), and remaining Maximum Lifetime Benefit increase by 3% of the previous year's amounts

End 3%Cola1

#### If 4%Cola1 is illustrated

# 4% Lifetime Compound Benefit Increase Rider

Each year your Facility Care Facility Care Daily Benefit, Home and Community Care Daily Benefit, Monthly Indemnity Benefit (if elected), Full Indemnity Benefit (if elected), and remaining Maximum Lifetime Benefit increase by 4% of the previous year's amounts

End 4%Cola1

#### If FullROP1 is illustrated

# Full Return of Premium Upon Death Benefit

If the policy terminates because of your death, a death benefit, equal to total premiums paid, will be paid to your beneficiary or to your estate if no beneficiary has been designated End FullROP1

#### If ROP1 is illustrated

# Return of Premium Upon Death Benefit

If the policy terminates because of your death, a death benefit, equal to total premiums paid less total benefits paid, will be paid to your beneficiary or to your estate if no beneficiary has been designated End ROP1

# If ShortBen1 is illustrated

# **Shortened Benefit Rider**

If you lapse your policy after 3 years, coverage will continue until the total of benefits paid equals the greater of the total premiums you paid or thirty times the Facility Care Daily Benefit in effect on the date of lapse

This is an illustration only, not an offer, contract, or promise of future policy performance. Coverage is subject to the terms and conditions of the policy. This illustration is not valid without all *Totpage* pages.

Agent AgentFirstName AgentLastName DateMonthDayYearHourMinute PolicyFormNo Ver VerNo State IssState Page CurPage of TotPage Allianz Life." The best at next."



ClientFirstName ClientLastName Elimination Penod Elim1 ClientGender ClientAge, ClientRiskClass Individual Modal Premium \$Modal\$1

Needs to be satisfied only once

End ShortBen1

If RestBen1 is illustrated

# Restoration of Benefits

Restores the full maximum value of your benefits after you recover from an illness and your benefits are not payable for 180 consecutive days

End RestBen1

If HCCMB1 is illustrated

# Home and Community Care Monthly Benefit

Converts your daily Home and Community Care Benefit to a monthly benefit that may be applied to care received during that month End HCCMB1

CHO THOUMBY

# If CDEP1 is illustrated

# Calendar Day Elimination Period

If you are Chronically III, each calendar day beginning with the first day that you receive Qualified Long Term Care Services until you are no longer Chronically III will count toward the Elimination Period End CDEP1

If WHCCEP1 is illustrated

# Waiver of Home and Community Care Elimination Period Rider

Your Elimination Period is waived if you are receiving Home and Community Care, and the days you receive Home and Community Care count toward the satisfaction of your Elimination Period for Facility Care End WHCCEP1

If SPSurv is illustrated

#### Spousal Survivorship Rider

The policy will be paid-up with no further premiums due if one insured dies after both policy's have been in-force for ten years

End SPSurv

If SWOP is illustrated

#### Spousal Waiver of Premium Rider

Premiums for both insureds will be waived if one is eligible for benefits End SWOP

If SCC is illustrated

# Spousal Shared Care Rider

Allows you to access the available benefits under your spouse's contract once your Maximum Lifetime Benefit has been exhausted

End SCC

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Agent AgentFirstName AgentLastName DateMonthDayYearHourMinute PolicyFormNo Ver VerNo State IssState Page CurPage of TotPage Allianz Life" The best at next"



ClientFirstName ClientLastName

Elimination Period Elim1

Needs to be satisfied only once

ClientGender ClientAge, ClientRiskClass Individual Modal Premium \$Modal\$1

If a SpRes is illustrated

Spousal Discount Rider

Provides a 30% premium discount when both you and your spouse purchase a Generation Protector Policy End SpRes

If SpResNot is illustrated

**Household Discount Rider** 

Provides a 10% premium discount when both you and someone with whom you are living purchase a Generation

Protector Policy

End SpResNot

If MarrDisc is Illustrated

Married Discount Rider

Provides a 10% premium discount if you are married

End MarrDisc

If PHDisc is Illustrated

Policy Holder Discount Rider

Comprehensive Care Plan

Provides a 5% premium discount if you are an existing Allianz policyholder

End PhrDisc

# **PREMIUMS**

| ••••           |
|----------------|
| \$Full01       |
|                |
|                |
| \$MonthIndem01 |
|                |
|                |
| \$Pay1001      |
| ·              |
|                |
| \$Pay6501      |
|                |
|                |
| \$3Cola01      |
|                |
|                |
| \$4Cola01      |
|                |

This is an allustration only, not an offer, contract, or promise of future policy performance. Coverage is subject to the terms and conditions of the policy. This illustration is not valid without all Totpage pages.

Agent AgentFirstName AgentLastName DateMonthDayYearHourMinute PolicyFormNo Ver VerNo State IssState Page CurPage of TotPage

Allianz Life! The best at next."

\$Comp01



ClientFirstName ClientLastName Elimination Period Elim1 ClientGender ClientAge, ClientRiskClass Individual Modal Premium \$Modal\$1

Needs to be satisfied only once

End 4%Cola1 If 5%Life1

5% Lifetime Compound Benefit Increase Rider

\$5Cola01

End 5%Life1 If 2Xcola1

Two Times Compound Benefit Increase Rider

\$2Trmes01

End 2Xcola1

If Simple1

Simple Benefit Increase Rider

\$Simple01

End Simple1 If FullROP1

Full Return of Premium Upon Death Benefit

\$FROP01

End FullROP1

If ROP1

Return of Premium Upon Death Benefit

\$ROP01

End ROP1 If ShortBen1

Shortened Benefit Rider

\$Short01

End ShortBen1

If RestBen1

Restoration of Benefits

\$Restore01

End RestBen1

If HCCMB1

Home and Community Care Monthly Benefit

\$Monthly01

End HCCMB1

If CDEP1

Calendar Day Elimination Period

\$Calen01

End CDEP1

If WHCCEP1

Waiver of Home and Community Care Elimination Period Rider

\$WaiveHome01

End WHCCEP1

If SpSurv

Spousal Survivorship Rider

\$Survive01

End SpSurv

If SWOP

Spousal Waiver of Premium Rider

\$SpWarv01

End SWOP

If SCC

Spousal Shared Care Rider

\$Shared01

End SCC

TOTAL ANNUAL PREMIUM

\$AnnPrem01

TOTAL ANNUAL PREMIUM LESS Discount type POLICY DISCOUNT

\$AnnPrem01a

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Agent AgentFirstName AgentLastName

Ver VerNo

DateMonthDayYearHourMinute

State IssState

PolicyFormNo.

Page CurPage of TotPage

Allianz Life: The best at next."

# Allianz Life Insurance Company of North America



# Generation Protector II Long Term Care Insurance Illustration If revised then - Revised

ClientFirstName ClientLastName
Elimination Penod Elim1
Needs to be satisfied only once

ClientGender ClientAge, ClientRiskClass Individual Modal Premium \$Modal\$1

TOTAL ANNUAL PREMIUM LESS ENDORSED GROUP DISCOUNT

\$AnnPrem01b

This is an illustration only, not an offer, contract, or promise of future policy performance. Coverage is subject to the terms and conditions of the policy. This illustration is not valid without all *Totpage* pages.



SpResFirstName SpResLastName Elimination Period Elim2 SpResGender SpResAge, SpResRiskClass Individual Modal Premium \$Modal\$2

Needs to be satisfied only once

# POLICY BENEFITS SELECTED

Facility Care Daily Benefit Amount
Home and Community Care Daily Benefit Amount (Percent%)
Benefit Period
Maximum Lifetime Benefit
Elimination Period

\$DailyFC2 \$DailyHCC2 BenPenod2 \$MaxLifeBen2 Elim2

# OPTIONAL BENEFITS SELECTED

if Poind2 nder is illustrated

# Full Indemnity Benefit Rider

Receive your entire daily benefit as cash, or indemnity, which will be paid monthly End PoInd2

If MonthIndem2 is illustrated

# Monthly Indemnity Benefit Rider

An amount equal to If MonthIndem2 > 0 MonthIndem1% of your daily benefit to be received as cash, or indemnity, paid on a monthly basis

End MonthIndem2

\_\_\_\_\_\_

# If 10Pay2 is illustrated

#### 10 Year Premium Payment Rider

Your policy is fully paid up if the required premium has been paid for 10 years End 10Pay2

If Pay652 is illustrated

# Paid Up at Age 65 Rider

Your policy is fully paid up if the required premium has been paid until the first policy anniversary following your 65th birthday

End Pay652

#### If 5%Life2 is illustrated

# 5% Lifetime Compound Benefit Increase Rider

Each year your Facility Care Daily Benefit, Home and Community Care Daily Benefit, Monthly Indemnity Benefit (if elected), Full Indemnity Benefit (if elected), and remaining Maximum Lifetime Benefit increase by 5% of the previous year's amount

End 5%Life2

# If 2Xcola2 is illustrated

# Two Times Compound Benefit Rider

Each year your Facility Care Daily Benefit, Home and Community Care Daily Benefit, Monthly Indemnity Benefit (if elected), Full Indemnity Benefit (if elected), and remaining Maximum Lifetime Benefit increase by 5% of the previous year's amounts until the current benefit amounts exceed two times the original benefit amounts

This is an illustration only, not an offer, contract, or promise of future policy performance. Coverage is subject to the terms and conditions of the policy. This illustration is not valid without all *Totpage* pages.

Agent AgentFirstName AgentLastName DateMonthDayYearHourMinute PolicyFormNo Ver VerNo
State IssState
Page CurPage of TotPage
Allianz Life\* The best at next."



SpResFirstName SpResLastName Elimination Period Elim2 SpResGender SpResAge, SpResRiskClass Individual Modal Premium \$Modal\$2

Needs to be satisfied only once

End 2Xcola2

If Simple2 is illustrated

Simple Benefit Increase Rider

Each year your Facility Care Daily Benefit, Home and Community Care Daily Benefit, Monthly Indemnity Benefit (if elected), and Full Indemnity Benefit (if elected), increase by 5% of the original benefit amounts. Your remaining Lifetime Benefit Pool is increased by 5% of the policy's initial benefit level divided by the benefit amounts just before the increase.

End Simple2

If 3%Cola2 is illustrated

3% Lifetime Compound Benefit Increase Rider

Each year your Facility Care Facility Care Daily Benefit, Home and Community Care Daily Benefit, Monthly Indemnity Benefit (if elected), Full Indemnity Benefit (if elected), and remaining Maximum Lifetime Benefit increase by 3% of the previous year's amounts

End 3%Cola2

If 4%Cola2 is illustrated

4% Lifetime Compound Benefit Increase Rider

Each year your Facility Care Facility Care Daily Benefit, Home and Community Care Daily Benefit, Monthly Indemnity Benefit (if elected), Full Indemnity Benefit (if elected), and remaining Maximum Lifetime Benefit increase by 4% of the previous year's amounts

End 4%Cola2

If FullROP2 is illustrated

Full Return of Premium Upon Death Benefit

If the policy terminates because of your death, a death benefit, equal to total premiums paid, will be paid to your beneficiary or to your estate if no beneficiary has been designated

End FullROP2

If ROP2 is illustrated

Return of Premium Upon Death Benefit

If the policy terminates because of your death, a death benefit, equal to total premiums paid less total benefits paid, will be paid to your beneficiary or to your estate if no beneficiary has been designated End ROP2

If ShortBen2 is illustrated

Shortened Benefit Rider

If you lapse your policy after 3 years, coverage will continue until the total of benefits paid equals the greater of the total premiums you paid or thirty times the Facility Care Daily Benefit in effect on the date of lapse End ShortBen2

If RestBen2 is illustrated

Restoration of Benefits

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Agent AgentFirstName AgentLastName DateMonthDayYearHourMinute PolicyFormNo Ver VerNo State IssState Page CurPage of TotPage Allianz Life' The best at next."



SpResFirstName SpResLastName Elimination Period Elim2

SpResGender SpResAge, SpResRiskClass Individual Modal Premium \$Modal\$2

Needs to be satisfied only once

Restores the full maximum value of your benefits after you recover from an illness and your benefits are not payable for 180 consecutive days

End RestBen2

If HCCMB2 is illustrated

# Home and Community Care Monthly Benefit

Converts your daily Home and Community Care Benefit to a monthly benefit that may be applied to care received during that month

End HCCMB2

If CDEP2 is illustrated

# Calendar Day Elimination Period

If you are Chronically III, each calendar day beginning with the first day that you receive Qualified Long Term Care Services until you are no longer Chronically III will count toward the Elimination Period End CDEP2

#### If WHCCEP2 is illustrated

#### Waiver of Home and Community Care Elimination Period Rider

Your Elimination Period is waived if you are receiving Home and Community Care, and the days you receive Home and Community Care count toward the satisfaction of your Elimination Period for Facility Care End WHCCEP2

# If SPSurv is illustrated

#### Spousal Survivorship Rider

The policy will be paid-up with no further premiums due if one insured dies after both policy's have been in-force for ten years

End SPSurv

# If SWOP is illustrated

#### Spousal Waiver of Premium Rider

Premiums for both insureds will be waived if one is eligible for benefits End SWOP

# If SCC is illustrated

#### Spousal Shared Care Rider

Allows you to access the available benefits under your spouse's contract once your Maximum Lifetime Benefit has been exhausted

End SCC

This is an illustration only, not an offer, contract, or promise of future policy performance. Coverage is subject to the terms and conditions of the policy. This illustration is not valid without all Totpage pages.



SpResFirstName SpResLastName

Elimination Period Elim2

Needs to be satisfied only once

SpResGender SpResAge, SpResRiskClass Individual Modal Premium \$Modal\$2

If a SpRes is illustrated

Spousal Discount Rider

Provides a 30% premium discount when both you and your spouse purchase a Generation Protector Policy End SpRes

If SpResNot is illustrated

Household Discount Rider

Provides a 10% premium discount when both you and someone with whom you are living purchase a Generation

Protector Policy

End SpResNot

If MarrDisc is Illustrated

Marned Discount Rider

Provides a 10% premium discount if you are married

End MartDisc

If PHDisc is Illustrated

Policy Holder Discount Rider

Provides a 5% premium discount if you are an existing Allianz policyholder

End PhrDisc

# **PREMIUMS**

Comprehensive Care Plan \$Comp02 If PoInd2

Full Indemnity Benefit Rider \$Full02

End Poind2

If MonthIndem2

Monthly Indemnity Benefit Rider \$MonthIndem02

End MonthIndem2

If 10Pav2

10 Year Premium Payment Rider \$Pay1002

End 10Pay2 If Pay652

Paid Up at Age 65 Rider \$Pay6502

End Pay652 If 3%Cola2

3% Lifetime Compound Benefit Increase Rider \$3Cola02

End 3%Cola2

If 4%Cola2

4% Lifetime Compound Benefit Increase Rider \$4Cola02

End 4%Cola2

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| SpResFirstName SpResLastName  | SpResGender SpResAge, S | SpResRiskClass       |
|---|-------------------------|----------------------|
| Elimination Period Elim2  | Individual Modal Prem   | iium \$Modal\$2      |
| Needs to be satisfied only once   |                         |                      |
| 15 504 5 0  |                         |                      |
| If 5%Life2  | <b>₱</b> 50-1-80        |                      |
| 5% Lifetime Compound Benefit Increase Rider   | \$5Cola02               |                      |
| End 5%Life2   |                         |                      |
| If 2Xcola2  | £2T02                   |                      |
| Two Times Compound Benefit Increase Rider   | \$2Times02              |                      |
| End 2Xcola2   |                         |                      |
| If Simple 2   | ¢ Simalo (12            |                      |
| Simple Benefit Increase Rider End Simple2   | \$Simple02              |                      |
| If FullROP2   |                         |                      |
| Full Return of Premium Upon Death Benefit   | \$FROP02                |                      |
| End FullROP2  | ₩ AOF02                 |                      |
| If ROP2   |                         |                      |
| Return of Premium Upon Death Benefit  | \$ROP02                 |                      |
| End ROP2  | \$10,02                 |                      |
| If ShortBen2  |                         |                      |
| Shortened Benefit Rider   | \$Short02               |                      |
| End ShortBen2   | <b>40</b> 7787702       |                      |
| If RestBen2   |                         |                      |
| Restoration of Benefits   | \$Restore02             |                      |
| End RestBen2  | **********              |                      |
| If HCCMB2   |                         |                      |
| Home and Community Care Monthly Benefit   | \$Monthly02             |                      |
| End HCCMB2  | ·                       |                      |
| If CDEP2  |                         |                      |
| Calendar Day Elimination Period .   | \$Calen02               |                      |
| End CDEP2   |                         |                      |
| If WHCCEP2  |                         |                      |
| Waiver of Home and Community Care Elimination Period Rider  | \$WarveHome02           |                      |
| End WHCCEP2   |                         |                      |
| If SpSurv   |                         |                      |
| Spousal Survivorship Rider  | \$Survive02             |                      |
| End SpSurv  |                         |                      |
| If SWOP   | 40.14. 00               |                      |
| Spousal Waiver of Premium Rider   | \$SpWaiv02              |                      |
| End SWOP  |                         |                      |
| If SCC<br>Spound Shared Care Budge  | ¢ Charadaa              |                      |
| Spousal Shared Care Rider   | \$Shared02              |                      |
| End SCC   |                         |                      |
| TOTAL ANNUAL PREMIUM  | \$AnnPrem02             |                      |
| TOTAL ANNUAL PREMIUM LESS Discount type POLICY DISCOUNT   | \$AnnPrem02a            |                      |
| TOTAL ANNUAL PREMIUM LESS ENDORSED GROUP DISCOUNT   | \$AnnPrem02b            |                      |
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| not valid without all Tolpage pages   | •                       |                      |

# Allianz Life Insurance Company of North America



# Generation Protector II Long Term Care Insurance Illustration If revised then - Revised

ClientFirstName ClientLastName
ClientGender ClientAge, ClientRiskClass
Elimination Penod Elim1
Individual Modal Premium \$Modal\$1

SpResFirstName SpResLastName SpResGender SpResAge, SpResRiskClass Elimination Period Elim2 Individual Modal Premium \$Modal\$2

# **Premium Summary**

Premium Mode

ClientFirstName ClientLastName

SpResFirstName SpResLastName

Discounttype Premium

Annual
Semi-Annual
Quarterly
Monthly

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# [Generation Protector II Long Term Care Insurance Illustration COLA Report]

[ClientFirstName ClientLastName
ClientGender Age ClientAge, ClientRiskClass
BenPenod1 Benefit Penod
Elim1 Elimination Penod
\$DailyFC1 Facility Care Daily Benefit
HCC1% Home and Community Care Daily Benefit
If a Discount is illustrated
Discount Title
Endif
If inders are chosen then
RiderTitles
endif

If 5%Life1 is illustrated

5% Lifetime Compound Benefit Increase Rider

Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts, Lifetime Benefit Pool, Monthly Indemnity Benefit (if elected) and Full Indemnity Benefit (if elected). The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 5% of the previous year's benefit amounts. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with rising long term care costs. End 5%Life1.

If 4%Cola1 is illustrated

4% Lifetime Compound Benefit Increase Rider

Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts, Lifetime Benefit Pool, Monthly Indemnity Benefit (if elected) and Full Indemnity Benefit (if elected). The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 4% of the previous year's benefit amounts. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with using long term care costs. End 4%Cola1

If 3%Cola1 is illustrated

# 3% Lifetime Compound Benefit Increase Rider

Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts, Lifetime Benefit Pool, Monthly Indemnity Benefit (if elected) and Full Indemnity Benefit (if elected). The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 3% of the previous year's benefit amounts. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with rising long term care costs. End 3%Cola1

If 2Xcola1 is illustrated

Two Times Compound Benefit Increase Rider

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# [Generation Protector II Long Term Care Insurance Illustration COLA Report]

Two Times Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts, Lifetime Benefit, Monthly Indemnity Benefit (if elected) and Full Indemnity Benefit (if elected). The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 5% of the previous year's benefit amounts. This is done until your benefit amounts exceed two times your original benefit amounts. At 5% compounding, it will take just over 14 years for your benefit amounts to exceed two times your original benefit amounts. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with using long term care costs.

If Simple1 is illustrated

End 2xcola1

Simple Benefit Increase Rider

Simple inflation protection is an automatic increase to your policy's Daily Benefit amounts, Lifetime Benefit Pool, Monthly Indemnity Benefit (if elected) and Full Indemnity Benefit (if elected). The inflation protection is added annually and increases your benefit amounts each year by 5% of the policy's initial benefit level. Your remaining Lifetime Benefit Pool is increased by 5% of the policy's initial benefit level divided by the benefit amounts just before the increase. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with rising long term care costs.

End Simple 1

| Age          | Initial Daily Benefit | Daily Benefit | Lifetime Benefit | Annual Premium |
|--------------|-----------------------|---------------|------------------|----------------|
| ClientAge    | DailyFC1              | DailyFC1      | MaxLifeBen1      | AnnualPremium1 |
| ClientAge+3  | DailyFC1              | 2             | 2                | AnnualPremium1 |
| ClientAge+6  | DailyFC1              | ?             | 2                | AnnualPremium1 |
| ClientAge+9  | DailyFC1              | ?             | . 2              | AnnualPremium1 |
| ClientAge+12 | DailyFC1              | 2             | 2                | AnnualPremium1 |
| ClientAge+15 | DailyFC1              | 2             | 2                | AnnualPremium1 |
| ClientAge+18 | DailyFC1              | ?             | 7                | AnnualPremium1 |
| ClientAge+21 | DailyFC1              | 2             | 2                | AnnualPremium1 |
| ClientAge+24 | DailyFC1              | 2             | 2                | AnnualPremium1 |
| ClientAge+27 | DailyFC1              | 2             | 2                | AnnualPremium1 |
| ClientAge+30 | DailyFC1              | 2             | 2                | AnnualPremium1 |

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# [Generation Protector II Long Term Care Insurance Illustration COLA Report]

SpResFirstName SpResLastName
SpResGender Age SpResAge, SpResRiskClass
BenPenod2 Benefit Penod
Elim2 Elimination Penod
\$DailyFC2 Facility Care Daily Benefit
HCC2% Home and Community Care Daily Benefit
If a Discount is illustrated
Discount Title
Endif
If nders are chosen then
RiderTitles
endif

If 5%Life2 is illustrated

# 5% Lifetime Compound Benefit Increase Rider

Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts, Lifetime Benefit Pool, Monthly Indemnity Benefit (if elected) and Full Indemnity Benefit (if elected). The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 5% of the previous year's benefit amounts. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with rising long term care costs.

End 5%Life2

If 4%Cola2 is illustrated

#### 4% Lifetime Compound Benefit Increase Rider

Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts, Lifetime Benefit Pool, Monthly Indemnity Benefit (if elected) and Full Indemnity Benefit (if elected). The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 4% of the previous year's benefit amounts. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with using long term care costs. End 4%Cola?

If 3%Cola2 is illustrated

#### 3% Lifetime Compound Benefit Increase Rider

Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts, Lifetime Benefit Pool, Monthly Indemnity Benefit (if elected) and Full Indemnity Benefit (if elected). The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 3% of the previous year's benefit amounts. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with rising long term care costs. End 3%Cola2

If 2Xcola2 is illustrated

Two Times Compound Benefit Increase Rider

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Agent AgentFirstName AgentLastName DateMonthDayYearHourMinute PolicyFormNo



# [Generation Protector | Long Term Care Insurance Illustration COLA Report]

Two Times Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts, Lifetime Benefit, Monthly Indemnity Benefit (if elected) and Full Indemnity Benefit (if elected). The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 5% of the previous year's benefit amounts. This is done until your benefit amounts exceed two times your original benefit amounts. At 5% compounding, it will take just over 14 years for your benefit amounts to exceed two times your original benefit amounts. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with rising long term care costs.

End 2xcola2

# If Simple 2 is illustrated Simple Benefit Increase Rider

Simple inflation protection is an automatic increase to your policy's Daily Benefit amounts, Lifetime Benefit Pool, Monthly Indemnity Benefit (if elected) and Full Indemnity Benefit (if elected). The inflation protection is added annually and increases your benefit amounts each year by 5% of the policy's initial benefit level. Your remaining Lifetime Benefit Pool is increased by 5% of the policy's initial benefit level divided by the benefit amounts just before the increase. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with rising long term care costs. End Simple?

| Age         | Initial Daily Benefit | Daily Benefit | Lifetime Benefit | Annual Premium   |
|-------------|-----------------------|---------------|------------------|------------------|
| SpResAge    | DailyFC2              | DailyFC2      | MaxLifeBen2      | AnnualPremium2   |
| SpResAge+3  | DailyFC2              | 7             | ?                | AnnualPremium2   |
| SpResAge+6  | DailyFC2              | ?             | ?                | AnnualPremium2   |
| SpResAge+9  | DailyFC2              | ?             | ?                | AnnualPremium2   |
| SpResAge+12 | DailyFC2              | ?             | 7                | AnnualPremium2   |
| SpResAge+15 | DailyFC2              | ?             | ?                | . AnnualPremium2 |
| SpResAge+18 | DailyFC2              | ?             | ?                | AnnualPremium2   |
| SpResAge+21 | DailyFC2              | ?             | ?                | AnnualPremium2   |
| SpResAge+24 | DailyFC2              | ?             | ?                | AnnualPremium2   |
| SpResAge+27 | DailyFC2              | ?             | ?                | AnnualPremium2   |
| SpResAge+30 | DailyFC2              | ?             | ?                | AnnualPremium2]  |

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# [Generation Protector II Long Term Care Insurance Illustration Premium Rates for Other Available Coverage Options]

[ClientFirstName ClientLastName
ClientGender Age ClientAge, ClientRiskClass
BenPenod1 Benefit Penod
Elim1 Elimination Penod
\$DailyFC1 Facility Care Daily Benefit
HCC1% Home and Community Care Daily Benefit
If a Discount is illustrated
Discount Title
Endif
If nders are chosen then

Individual Annual Premium \$AnnualPremium1

# No Cola Rider

RiderTitles Endif

Benefit Penod

2 Years · 3 Years 4 Years 5 Years 8 Years Lifetime

7 Days
Elimination 30 Days
Penod 60 Days
90 Days
180 Days
365 Days

# 3% Lifetime Compound Benefit Increase Rider

Benefit Penod

|                      |   | 2 Years | 3 Years | 4 Years | 5 Years | 8 Years | Lifetime |
|----------------------|---|---------|---------|---------|---------|---------|----------|
| Elimination<br>Penod | 7 Days<br>30 Days<br>60 Days<br>90 Days<br>180 Days<br>365 Days |         |         |         |         |         |          |

# 4% Lifetime Compound Benefit Increase Rider

Benefit Period

2 Years 3 Years 4 Years 5 Years 8 Years Lifetime

7 Days
Elimination 30 Days
Penod 60 Days
90 Days

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# [Generation Protector II Long Term Care Insurance Illustration

# **Premium Rates for Other Available Coverage Options**]

180 Days 365 Days

# Two Times Compound Benefit Increase Rider

|          | Benefit Period |         |         |         |         |          |  |  |  |
|----------|----------------|---------|---------|---------|---------|----------|--|--|--|
|          | 2 Years        | 3 Years | 4 Years | 5 Years | 8 Years | Lifetime |  |  |  |
| 7 Days   |                |         |         |         |         | •        |  |  |  |
| 30 Days  |                |         |         |         |         |          |  |  |  |
| 60 Days  |                |         |         |         |         |          |  |  |  |
| 90 Days  |                |         |         |         |         |          |  |  |  |
| 180 Days |                |         |         |         |         |          |  |  |  |
| 365 Davs |                |         |         |         |         |          |  |  |  |

# Simple Benefit Increase Rider

Elimination Period

|                       |   | Benefit Penod |         |         |         |         |          |  |
|-----------------------|---|---------------|---------|---------|---------|---------|----------|--|
|                       |   | 2 Years       | 3 Years | 4 Years | 5 Years | 8 Years | Lifetime |  |
| Elimination<br>Period | 7 Days<br>30 Days<br>60 Days<br>90 Days<br>180 Days<br>365 Days |               |         |         |         |         |          |  |

# 5% Lifetime Compound Benefit Increase Rider

|                       |   | Benefit Penod |         |         |         |         |          |  |
|-----------------------|---|---------------|---------|---------|---------|---------|----------|--|
|                       |   | 2 Years       | 3 Years | 4 Years | 5 Years | 8 Years | Lifetime |  |
| Elimination<br>Period | 7 Days<br>30 Days<br>60 Days<br>90 Days<br>180 Days<br>365 Days |               |         |         |         |         |          |  |

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# [Generation Protector II Long Term Care Insurance Illustration

# Premium Rates for Other Available Coverage Options]

SpResFirstName SpResLastName

Individual Annual Premium \$Annual Premium 2

SpResGender Age SpResAge, SpResRiskClass BenPenod2 Benefit Penod

Elim2 Elimination Period

\$DailyFC2 Facility Care Daily Benefit

HCC2% Home and Community Care Daily Benefit

If a Discount is illustrated

Discount Title

Endif

If riders are chosen then

RiderTitles

endıf

# No Cola Rider

Elimination

Penod

Benefit Period

2 Years 3 Years 4 Years 5 Years 8 Years Lifetime 7 Days 30 Days 60 Days 90 Days 180 Days

# 3% Lifetime Compound Benefit Increase Rider

365 Days

Benefit Period

2 Years 3 Years 5 Years 8 Years Lifetime 4 Years 7 Days Elimination 30 Days Period 60 Days 90 Days 180 Days 365 Days

# 4% Lifetime Compound Benefit Increase Rider

Benefit Penod

2 Years 3 Years 4 Years 5 Years 8 Years Lifetime

7 Days Elimination 30 Days Penod 60 Days 90 Days

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## [Generation Protector II Long Term Care Insurance Illustration

## **Premium Rates for Other Available Coverage Options**]

180 Days 365 Days

## Two Times Compound Benefit Increase Rider

|                      |   | Benefit Period |         |         |         |         |          |
|----------------------|---|----------------|---------|---------|---------|---------|----------|
|                      |   | 2 Years        | 3 Years | 4 Years | 5 Years | 8 Years | Lifetime |
| Elimination<br>Penod | 7 Days<br>30 Days<br>60 Days<br>90 Days<br>180 Days<br>365 Days |                |         |         |         |         |          |

## Simple Benefit Increase Rider

|                      |   | Benefit Penod |         |         |         |         |          |
|----------------------|---|---------------|---------|---------|---------|---------|----------|
|                      |   | 2 Years       | 3 Years | 4 Years | 5 Years | 8 Years | Lifetime |
| Elimination<br>Penod | 7 Days<br>30 Days<br>60 Days<br>90 Days<br>180 Days<br>365 Days |               |         |         |         |         |          |

## 5% Lifetime Compound Benefit Increase Rider

|                       |   | Benefit Penod |         |         |         |         |          |
|-----------------------|---|---------------|---------|---------|---------|---------|----------|
|                       |   | 2 Years       | 3 Years | 4 Years | 5 Years | 8 Years | Lifetime |
| Elimination<br>Period | 7 Days<br>30 Days<br>60 Days<br>90 Days<br>180 Days<br>365 Days |               |         |         |         | ,       | 1        |

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# [Generation Protector II Long Term Care Insurance Illustration Break Even Analysis]

[ClientFirstName ClientLastName
ClientGender Age ClientAge, ClientRiskClass
BenPenod1 Benefit Penod
Elim1 Elimination Penod
\$DailyFC1 Facility Care Daily Benefit
HCC1% Home and Community Care Daily Benefit
If a Discount is illustrated
Discount Title
Endif
If nders are chosen then

RiderTitles endif

| Individual A | nnual Premiu  | m \$AnnualF  | remium1      |
|--------------|---------------|--------------|--------------|
| murriqual A  | umuar i remiu | III WALIINGA | LOSSINGING L |

| Years Premium Paid | Days to Recover Premiums Paid |
|--------------------|-------------------------------|
| 1                  | \$todate1/dailybenefit        |
| 5                  | \$todate1/dailybenefit        |
| 10                 | \$todate1/dailybenefit        |
| 15                 | \$todate1/dailybenefit        |
| 20                 | \$todate1/dailybenefit        |
| 25                 | \$todate1/dailybenefit        |

SpResFirstName SpResLastName
SpResGender Age SpResAge, SpResRiskClass
BenPenod2 Benefit Penod
Elim2 Elimination Penod
\$DailyFC2 Facility Care Daily Benefit
HCC2% Home and Community Care Daily Benefit
If a Discount is illustrated
Discount Title
Endif
If inders are chosen then
RiderTitles
endif

Individual Annual Premium \$AnnualPremium2

| Years Premium Paid | Days to Recover Premiums Paid |
|--------------------|-------------------------------|
| 1                  | \$todate2/dailybenefit        |
| 5                  | \$todate2/dailybenefit        |
| 10                 | \$todate2/dailybenefit        |
| 15                 | \$todate2/dailybenefit        |
| 20                 | \$todate2/dailybenefit        |
| 25                 | \$todate2/dailybenefit ]      |
|                    |                               |

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RiderTitles Endif



# [Generation Protector II Long Term Care Insurance Illustration Enhanced Coverage Analysis]

[ClientFirstName ClientLastName
ClientGender Age ClientAge, ClientRiskClass
BenPeriod 1 Benefit Period
Elim1 Elimination Period
\$DailyFC1 Facility Care Daily Benefit
HCC1% Home and Community Care Daily Benefit
If a Discount is illustrated
Discount Title
Endif
If nders are chosen then

Individual Annual Premium \$AnnualPremium1

Annual Inflation Assumption CPI01%

|             |              |               |                | <u>Elimination</u> | <u>Additional</u> | _ <u>Total</u> |
|-------------|--------------|---------------|----------------|--------------------|-------------------|----------------|
| Policy Year | <u>Age</u>   | Daily Benefit | Benefit Period | <u>Period</u>      | <u>Premium</u>    | <u>Premium</u> |
| 5           | ClientAge+5  |               |                |                    |                   |                |
| 10          | ClientAge+10 |               |                |                    |                   |                |
| 15          | ClientAge+15 |               |                |                    |                   |                |
| 20          | ClientAge+20 |               |                |                    |                   |                |
| 25          | ClientAge+25 |               |                |                    |                   |                |
| 30          | ClientAge+30 |               |                |                    |                   | •              |

SpResFirstName SpResLastName
SpResGender Age SpResAge, SpResRiskClass
BenPenod2 Benefit Penod
Elim2 Elimination Penod
\$DailyFC2 Facility Care Daily Benefit
HCC2% Home and Community Care Daily Benefit
If a Discount is illustrated
Discount Title
Endif
If inders are chosen then
RiderTitles
endif

Individual Annual Premium \$AnnualPremium2
Annual Inflation Assumption CP102%

| Policy Year | Age          | Daily Benefit | Benefit Period | Elimination<br>Period | Additional<br>Premium | <u>Total</u><br>Premium |
|-------------|--------------|---------------|----------------|-----------------------|-----------------------|-------------------------|
| 5           | SpResAge+5   | <del></del>   |                |                       |                       |                         |
| 10          | SpResAge+10  |               |                |                       |                       |                         |
| 15          | SpResAge+15  |               |                |                       |                       |                         |
| 20          | SpResAge+20  |               |                |                       |                       |                         |
| 25          | SpResAge+25  |               |                |                       |                       |                         |
| 30          | ClientAge+30 |               |                |                       |                       | 1                       |
|             |              |               |                |                       |                       |                         |

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## Component Header SERT-6P8JCX819/00-11/00-00/00

## **Component Header**

Component 11 - Rev 00

Created by Tammy Smasal on 04/26/2006

Assigned To Mary Ann Mason, [Receiver]

Company List Allianz Life Insurance Company

Sent 04/26/2006 09 43 27 AM

Other Authors None

TOI LTC03I Individual Long Term Care

SubTOI LTC03I 001 Qualified

**Tracking Information:** 

State State Tracking # Virginia 7/26579

Component Status

Disposition Date

Implementation

Effective Date

Requirement

Filed

SERFF Tracking # SERT-6P8JCX819/00-11/00-00/00 Component Status Assigned to Reviewer

(SERFF)

None None Delivery Date

Reviewer

04/26/2006 09 56 46 AM

Mary Ann Mason, [Receiver]

Date

Deemer Date

(State)

None None

None

Reviewer Phone Reviewer Fax Primary Reviewer None None None

Status

Component Information:

Component Type Lead Form Number Advertisement 11-CB

Component Action State Specific Code Initial None

Requirement

Satisfied

Brief Description

Illustration (11-ILL-SEL)

Filer's Notes Document(s) None None

N/A

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

Company Information

Allianz Life Insurance Company of North

Атепса

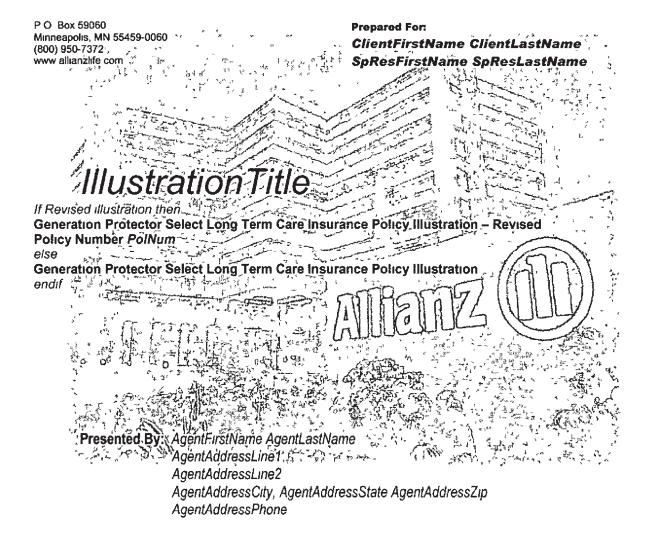
Smasal, Tammy

File Attachments:

11-ILL-SEL pdf

#### of North America





This Illustration is a general description of benefits selected and is not a contract. Please refer to the accompanying Outline of Coverage for further details. Specific benefits payable are governed by the policy form for your state. The policy form number illustrated is #11-P-Q.

QUALIFIED TAX STATUS This illustrates a Long Term Care Insurance Contract intended to be a federally tax-qualified long term care insurance contract as defined under Section 7702B(b) of the Internal Revenue Code of 1986, as amended. As an insurance company, we do not provide legal or tax advice. You should consult with your attorney, accountant or tax advisor regarding the tax implications of purchasing long term care insurance.

GUARANTEED RENEWABLE The contract is guaranteed renewable for life. Premium rates are subject to change. You may renew the contract for the rest of your life. To renew, just pay the premium due. It must be paid by the due date or within the Grace Period. We cannot refuse to renew the contract if the premium is paid on time. Premium rates are guaranteed not to change for the first five policy years. After the fifth year, the company may change the premium rates, subject to the approval of the state insurance department, but only if we base the premium change, by class for everyone in your state, on the experience of this policy form. We will give you at least 60 days written notice at your last address shown on our records before we change your premium rates.

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### Generation Protector Select Long Term Care Insurance Illustration If revised then - Revised

ClientFirstName ClientLastName

ClientGender ClientAge, ClientRiskClass Individual Modal Premium \$Modal\$1

#### POLICY BENEFITS SELECTED

**Facility Care Daily Benefit Amount** \$DailyFC1 **Benefit Period** BenPenod1 Maximum Lifetime Benefit \$MaxLifeBen1

If 3%Cola1 is illustrated \$3Cola01

3% Lifetime Compound Benefit Increase Rider

Each year your Facility Care Daily Benefit, Home and Community Care Daily Benefit, Monthly Indemnity Benefit (Package C only), and remaining Maximum Lifetime Benefit increase by 3% of the previous year's amounts End 3%Cola1

If 4%Cola1 is illustrated \$4Cola01

4% Lifetime Compound Benefit Increase Rider

Each year your Facility Care Daily Benefit, Home and Community Care Daily Benefit, Monthly Indemnity Benefit (Package C only), and remaining Maximum Lifetime Benefit increase by 4% of the previous year's amounts

End 4%Cola1

If 5%Life1 is illustrated \$5Cola01

5% Lifetime Compound Benefit Increase Rider

Each year your Facility Care Daily Benefit, Home and Community Care Daily Benefit, Monthly Indemnity Benefit (Package C only), and remaining Maximum Lifetime Benefit increase by 5% of the previous year's amount

End 5%Life1

If 2Xcola1 is illustrated \$2Times01

Two Times Compound Benefit Increase Rider

Each year your Facility Care Daily Benefit, Home and Community Care Daily Benefit, Monthly Indemnity Benefit (Package C only), and remaining Maximum Lifetime Benefit increase by 5% of the previous year's amounts until the current benefit amounts exceed two times the original benefit amounts

End 2Xcola1

If Simple1 is illustrated \$Simple01

Simple Benefit Increase Rider

Each year your Facility Care Daily Benefit, Home and Community Care Daily Benefit, and Monthly Indemnity Benefit (Package C only) increase by 5% of the original benefit amounts Your remaining Lifetime Benefit Pool is increased by 5% of the policy's initial benefit level divided by the benefit amounts just before the increase

End Simple1

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## Generation Protector Select Long Term Care Insurance Illustration If revised then - Revised

ClientFirstName ClientLastName

ClientGender ClientAge, ClientRiskClass Individual Modal Premium \$Modal\$1

If SCC is illustrated

\$Shared01

Spousal Shared Care Rider

Allows you to access the available benefits under your spouse's contract once your Maximum

Lifetime Benefit has been exhausted

End SCC

If ShortBen2 is illustrated

\$Short01

**Shortened Benefit Rider** 

If you lapse your policy after three years, coverage will continue until the total of benefits paid equals the greater of the total premiums you paid or 30 times the Facility Care Daily Benefit in

effect on the date of lapse

End ShortBen2

If a SpRes is illustrated

\$SpRes01

Spousal Discount Rider

Provides a 30% premium discount when both you and your spouse purchase a Generation

Protector policy

End SpRes

If SpResNot is illustrated

\$SpResNot01

**Household Discount Rider** 

Provides a 10% premium discount when both you and someone with whom you are living

purchase a Generation Protector Policy

End SpResNot

If MarrDisc is Illustrated

\$MarrDisct01

Married Discount Rider

Provides a 10% premium discount if you are married

End MarrDisc

If PHDisc is Illustrated

\$PHDisct01

Policy Holder Discount Rider

Provides a 5% premium discount if you are an existing Allianz policyholder

End PhrDisc

## PACKAGE OPTIONS AND PREMIUMS

| BENEFIT                               | PACKAGE A                 | PACKAGE B                  | PACKAGE C                  |
|---------------------------------------|---------------------------|----------------------------|----------------------------|
|                                       | All of the above, PLUS    | All of the above, PLUS     | All of the above, PLUS     |
| Home and Community Based Care         | 70% of your facility care | 100% of your facility care | 130% of your facility care |
| Amount                                | benefit                   | benefit                    | benefit                    |
| Home and Community Care Daily Benefit | Daily Benefit             | Monthly Benefit            | Monthly Benefit            |

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Allianz Life' The best at next"

## Allianz Life Insurance Company of North America



## Generation Protector Select Long Term Care Insurance Illustration If revised then - Revised

| ClientFirstName ClientLastName | ClientGender ClientAge, ClientRiskClass |
|--------------------------------|---|
|                                | Individual Modal Premium \$Modal\$1     |
|                                |   |

| Elimination Period (needs to be satisfied only once)   | 90 Calendar Days | 90 Calendar Days | 90 Calendar Days |
|--|------------------|------------------|------------------|
| Monthly Indemnity Benefit                              | Not Available    | Not Available    | \$DailyFC1x 25   |
| Total Annual Premium                                   | \$               | \$               | \$               |
| Total Annual Premium Less Discounttype Policy Discount | S                | S                | \$               |
| Total Annual Premium Less<br>Endorsed Group Discount   | \$               | S                | \$               |

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## Generation Protector Select Long Term Care Insurance Illustration if revised then - Revised

SpResFirstName SpResLastName

SpResGender SpResAge, SpResRiskClass Individual Modal Premium \$Modal\$2

#### POLICY BENEFITS SELECTED

**Daily Facility Care Benefit Amount** Benefit Period Maximum Lifetime Benefit

\$DailyFC2 BenPenod2 \$MaxLifeBen2

If 3%Cola2 is illustrated

\$3Cola02

3% Lifetime Compound Benefit Increase Rider

Each year your Facility Care Daily Benefit, Home and Community Care Daily Benefit, Monthly Indemnity Benefit (Package C only), and remaining Maximum Lifetime Benefit increase by 3% of the previous year's amounts

End 3%Cola2

If 4%Cola2 is illustrated

\$4Cola02

4% Lifetime Compound Benefit Increase Rider

Each year your Facility Care Daily Benefit, Home and Community Care Daily Benefit, Monthly Indemnity Benefit (Package C only), and remaining Maximum Lifetime Benefit increase by 4% of the previous year's amounts

End 4%Cola2

If 5%Life2 is illustrated

\$5Cola02

5% Lifetime Compound Benefit Increase Rider

Each year your Facility Care Daily Benefit, Home and Community Care Daily Benefit, Monthly Indemnity Benefit (Package C only), and remaining Maximum Lifetime Benefit increase by 5% of the previous year's amount

End 5%Life2

If 2Xcola2 is illustrated

**\$**2Times02

Two Times Compound Benefit Increase Rider

Each year your Facility Care Daily Benefit, Home and Community Care Daily Benefit, Monthly Indemnity Benefit (Package C only), and remaining Maximum Lifetime Benefit increase by 5% of the previous year's amounts until the current benefit amounts exceed two times the original benefit amounts

End 2Xcola2

If Simple2 is illustrated

\$Simple02

Simple Benefit Increase Rider

Each year your Facility Care Daily Benefit, Home and Community Care Daily Benefit, and Monthly Indemnity Benefit (Package C only) increase by 5% of the original benefit amounts Your remaining Lifetime Benefit Pool is increased by 5% of the policy's initial benefit level divided by the benefit amounts just before the increase End Simple2

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## Generation Protector Select Long Term Care Insurance Illustration If revised then - Revised

SpResFirstName SpResLastName

SpResGender SpResAge, SpResRiskClass Individual Modal Premium \$Modal\$2

If SCC is illustrated

\$Shared02

Spousal Shared Care Rider

Allows you to access the available benefits under your spouse's contract once your Maximum

Lifetime Benefit has been exhausted -

End SCC

If ShortBen2 is illustrated

\$Short02

Shortened Benefit Rider

if you lapse your policy after three years, coverage will continue until the total of benefits paid equals the greater of the total premiums you paid or 30 times the Facility Care Daily Benefit in

effect on the date of lapse

End ShortBen2

If a SpRes is illustrated

\$SpRes02

Spousal Discount Rider

Provides a 30% premium discount when both you and your spouse purchase a Generation

Protector policy

End SpRes

If SpResNot is illustrated

\$SpResNot02

Household Discount Rider

Provides a 10% premium discount when both you and someone with whom you are living

purchase a Generation Protector Policy

End SpResNot

If MartDisc is Illustrated

\$MarrDisct02

**Married Discount Rider** 

Provides a 10% premium discount if you are married

End MamDisc

If PHDisc is Illustrated

\$PHDisct02

**Policy Holder Discount Rider** 

Provides a 5% premium discount if you are an existing Allianz policyholder

End PhrDisc

## PACKAGE OPTIONS AND PREMIUMS

| BENEFIT                               | PACKAGE A                 | PACKAGE B                  | PACKAGE C                  |
|---------------------------------------|---------------------------|----------------------------|----------------------------|
|                                       | All of the above, PLUS    | All of the above, PLUS     | All of the above, PLUS     |
| Home and Community Based Care         | 70% of your facility care | 100% of your facility care | 130% of your facility care |
| Amount                                | benefit                   | benefit                    | benefit                    |
| Home and Community Care Daily Benefit | Daily Benefit             | Monthly Benefit            | Monthly Benefit            |

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## Allianz Life Insurance Company of North America



## Generation Protector Select Long Term Care Insurance Illustration If revised then - Revised

| · · · · · · · · · · · · · · · · · · · |                                      |
|---------------------------------------|--------------------------------------|
| SpResFirstName SpResLastName          | SpResGender SpResAge, SpResRiskClass |
|                                       | Individual Modal Premium \$Modal\$2  |

| Elimination Period (needs to be satisfied only once) | 90 Calendar Days | 90 Calendar Days | 90 Calendar Days |
|--|------------------|------------------|------------------|
| Monthly Indemnity Benefit                            | Not Available    | Not Available    | \$DailyFC2x 25   |
| Total Annual Premium                                 | \$               | \$               | \$               |
| Total Annual Premium Less                            | \$               | \$               | \$               |
| Discounttype Policy Discount                         |                  |                  |                  |
| Total Annual Premium Less                            | \$               | \$               | S                |
| Endorsed Group Discount                              |                  |                  |                  |

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[ClientFirstName ClientLastName ClientGender Age ClientAge, ClientRiskClass BenPeriod1 Benefit Period 90 Calendar Day Elimination Period \$DailyFC1 Facility Care Daily Benefit If inders are chosen then RiderTitles endif

#### PACKAGE A

70% Home and Community Care Daily Benefit Home and Community Care Daily Benefit

If 5%Life1 is illustrated

5% Lifetime Compound Benefit Increase Rider

Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 5% of the previous year's benefit amounts. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with using long term care costs.

End 5%Life1

If 4%Cola1 is illustrated

#### 4% Lifetime Compound Benefit Increase Rider

Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 4% of the previous year's benefit amounts. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with using long term care costs. End 4%Cola1

If 3%Cola1 is illustrated

### 3% Lifetime Compound Benefit Increase Rider

Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 3% of the previous year's benefit amounts. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with rising long term care costs.

End 3%Cola1

If 2Xcola1 is illustrated

Two Times Compound Benefit Increase Rider

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Two Times Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 5% of the previous year's benefit amounts. This is done until your benefit amounts first exceed two times your original benefit amounts. At 5% compounding, it will take just over 14 years for your benefit amounts to first exceed two times your original benefit amounts. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with rising long term care costs.

End 2xcola1

If Simple1 is illustrated
Simple Benefit Increase Rider

Simple inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts each year by 5% of the policy's initial benefit level. Your remaining Lifetime Benefit Pool is increased by 5% of the policy's initial benefit level divided by the benefit amounts just before the increase. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with using long term care costs. End Simple 1.

| <u>Age</u>   | Initial Daily Benefit | Daily Benefit | Lifetime Benefit | Annual Premium |
|--------------|-----------------------|---------------|------------------|----------------|
| ClientAge    | DailyFC1              | DailyFC1      | MaxLifeBen1      | AnnualPremium1 |
| ClientAge+3  | DailyFC1              | ?             | ?                | AnnualPremium1 |
| ClientAge+6  | DailyFC1              | ?             | ?                | AnnualPremium1 |
| ClientAge+9  | DailyFC1              | ?             | ?                | AnnualPremium1 |
| ClientAge+12 | DailyFC1              | ?             | ?                | AnnualPremium1 |
| ClientAge+15 | DailyFC1              | ?             | ?                | AnnualPremium1 |
| ClientAge+18 | DailyFC1              | ?             | ?                | AnnualPremium1 |
| ClientAge+21 | DailyFC1              | ?             | ` ?              | AnnualPremium1 |
| ClientAge+24 | DailyFC1              | ?             | ?                | AnnualPremium1 |
| ClientAge+27 | DailyFC1              | ?             | ?                | AnnualPremium1 |
| ClientAge+30 | DailyFC1              | ?             | ?                | AnnualPremium1 |

#### **PACKAGE B**

100% Home and Community Care Daily Benefit Home and Community Care Monthly Benefit

If 5%Life1 is illustrated

5% Lifetime Compound Benefit Increase Rider

Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 5% of the previous year's benefit amounts. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with using long term care costs. End 5%Life1

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If 4%Cola1 is illustrated

### 4% Lifetime Compound Benefit Increase Rider

Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 4% of the previous year's benefit amounts. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with rising long term care costs.

End 4%Cola1

If 3%Cola1 is illustrated

#### 3% Lifetime Compound Benefit Increase Rider

Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 3% of the previous year's benefit amounts. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with rising long term care costs.

End 3%Cola1

If 2Xcola1 is illustrated

#### Two Times Compound Benefit Increase Rider

Two Times Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 5% of the previous year's benefit amounts. This is done until your benefit amounts first exceed two times your original benefit amounts. At 5% compounding, it will take just over 14 years for your benefit amounts to first exceed two times your original benefit amounts. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with using long term care costs.

End 2xcola1

#### If Simple1 is illustrated

## Simple Benefit Increase Rider

Simple inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts each year by 5% of the policy's initial benefit level. Your remaining Lifetime Benefit Pool is increased by 5% of the policy's initial benefit level divided by the benefit amounts just before the increase. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with rising long term care costs. End Simple 1.

| <u>Age</u>   | Initial Daily Benefit | Daily Benefit | <u>Lifetime Benefit</u> | <u>Annual Premium</u> |
|--------------|-----------------------|---------------|-------------------------|-----------------------|
| ClientAge    | DailyFC1              | DailyFC1      | MaxLifeBen1             | AnnualPremium1        |
| ClientAge+3  | DailyFC1              | ?             | ?                       | AnnualPremium1        |
| ClientAge+6  | DailyFC1              | ?             | ?                       | AnnualPremium1        |
| ClientAge+9  | DailyFC1              | ?             | 7                       | AnnualPremium1        |
| ClientAge+12 | DailyFC1              | ?             | 7                       | AnnualPremium1        |

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| ClientAge+15 | DailyFC1 | ? | ?   | AnnualPremium1 |
|--------------|----------|---|-----|----------------|
| ClientAge+18 | DailyFC1 | ? | ?   | AnnualPremium1 |
| ClientAge+21 | DailyFC1 | ? | ?   | AnnualPremium1 |
| ClientAge+24 | DailyFC1 | ? | ' ? | AnnualPremium1 |
| ClientAge+27 | DailyFC1 | ? | ?   | AnnualPremium1 |
| ClientAge+30 | DailyFC1 | ? | ?   | AnnualPremium1 |

#### PACKAGE C

130% Home and Community Care Daily Benefit Home and Community Care Monthly Benefit \$DailyFC1x 25 Monthly Indemnity Benefit

If 5%Life1 is illustrated

5% Lifetime Compound Benefit Increase Rider

Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 5% of the previous year's benefit amounts. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with rising long term care costs.

End 5%Life1

If 4%Cola1 is illustrated

#### 4% Lifetime Compound Benefit Increase Rider

Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 4% of the previous year's benefit amounts. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with using long term care costs.

End 4%Cola1

If 3%Cola1 is illustrated

### 3% Lifetime Compound Benefit Increase Rider

Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 3% of the previous year's benefit amounts. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with rising long term care costs.

End 3%Cola1

If 2Xcola1 is illustrated

Two Times Compound Benefit Increase Rider

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Two Times Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 5% of the previous year's benefit amounts. This is done until your benefit amounts first exceed two times your original benefit amounts. At 5% compounding, it will take just over 14 years for your benefit amounts to first exceed two times your original benefit amounts. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with using long term care costs.

End 2xcola1

## If Simple1 is illustrated Simple Benefit Increase Rider

Simple inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts each year by 5% of the policy's initial benefit level. Your remaining Lifetime Benefit Pool is increased by 5% of the policy's initial benefit level divided by the benefit amounts just before the increase. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with rising long term care costs. End Simple 1.

| <u>Age</u>   | Initial Daily Benefit | Daily Benefit | <u>Lifetime Benefit</u> | Annual Premium |
|--------------|-----------------------|---------------|-------------------------|----------------|
| ClientAge    | DailyFC1              | DailyFC1      | MaxLifeBen1             | AnnualPremium1 |
| ClientAge+3  | DailyFC1              | ?             | ?                       | AnnualPremium1 |
| ClientAge+6  | DailyFC1              | ?             | ?                       | AnnualPremium1 |
| ClientAge+9  | DailyFC1              | ?             | ?                       | AnnualPremium1 |
| ClientAge+12 | DailyFC1              | ?             | ?                       | AnnualPremium1 |
| ClientAge+15 | DailyFC1              | ?             | ?                       | AnnualPremium1 |
| ClientAge+18 | DailyFC1              | ?             | ?                       | AnnualPremium1 |
| ClientAge+21 | DailyFC1              | ?             | 2                       | AnnualPremium1 |
| ClientAge+24 | DailyFC1              | ?             | ?                       | AnnualPremium1 |
| ClientAge+27 | DailyFC1              | ?             | ?                       | AnnualPremium1 |
| ClientAge+30 | DailyFC1              | ?             | ?                       | AnnualPremium1 |

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## Allianz Life Insurance Company of North America



## [Generation Protector Select Long Term Care Insurance Illustration COLA Report]

SpResFirstName SpResLastName
SpResGender Age SpResAge, SpResRiskClass
BenPenod2 Benefit Period
90 Calendar Day Elimination Period
\$DailyFC2 Facility Care Daily Benefit
If nders are chosen then
RiderTitles
endif

### **PACKAGE A**

70% Home and Community Care Daily Benefit Home and Community Care Daily Benefit

If 5%Life2 is illustrated

5% Lifetime Compound Benefit Increase Rider

Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 5% of the previous year's benefit amounts. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with rising long term care costs.

End 5%Life2

If 4%Cola2 is illustrated

## 4% Lifetime Compound Benefit Increase Rider

Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 4% of the previous year's benefit amounts. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with using long term care costs.

End 4%Cola2

If 3%Cola2 is illustrated

## 3% Lifetime Compound Benefit Increase Rider

Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 3% of the previous year's benefit amounts. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with using long term care costs.

End 3%Cola2

If 2Xcola2 is illustrated

Two Times Compound Benefit Increase Rider

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Agent AgentFirstName AgentLastName DateMonthDayYearHourMinute PolicyFormNo Ver VerNo State IssState Page CurPage of TotPage Allianz Life\* The best at next\*\*



Two Times Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 5% of the previous year's benefit amounts. This is done until your benefit amounts first exceed two times your original benefit amounts. At 5% compounding, it will take just over 14 years for your benefit amounts to first exceed two times your original benefit amounts. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with using long term care costs.

End 2xcola2

if Simple2 is illustrated Simple Benefit Increase Rider

Simple inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts each year by 5% of the policy's initial benefit level. Your remaining Lifetime Benefit Pool is increased by 5% of the policy's initial benefit level divided by the benefit amounts just before the increase. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with rising long term care costs. End Simple 2.

| <u>Age</u>  | Initial Daily Benefit | Daily Benefit | Lifetime Benefit | Annual Premium |
|-------------|-----------------------|---------------|------------------|----------------|
| SpResAge    | DailyFC2              | DailyFC2      | MaxLrfeBen2      | AnnualPremium2 |
| SpResAge+3  | DailyFC2              | 7             | ?                | AnnualPremium2 |
| SpResAge+6  | DailyFC2              | ?             | ?                | AnnualPremium2 |
| SpResAge+9  | DailyFC2              | ?             | ?                | AnnualPremium2 |
| SpResAge+12 | DailyFC2              | ?             | ?                | AnnualPremium2 |
| SpResAge+15 | DailyFC2              | ?             | 7                | AnnualPremium2 |
| SpResAge+18 | DailyFC2              | ?             | ?                | AnnualPremium2 |
| SpResAge+21 | DailyFC2              | 2             | ?                | AnnualPremium2 |
| SpResAge+24 | DailyFC2              | ?             | ?                | AnnualPremium2 |
| SpResAge+27 | DailyFC2              | ?             | 2                | AnnualPremium2 |
| SpResAge+30 | DailyFC2              | ?             | ?                | AnnualPremium2 |

## PACKAGE B

100% Home and Community Care Daily Benefit Home and Community Care Monthly Benefit

If 5%Life2 is illustrated

5% Lifetime Compound Benefit Increase Rider

Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 5% of the previous year's benefit amounts. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with using long term care costs. End 5%Life2

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If 4%Cola2 is illustrated

#### 4% Lifetime Compound Benefit Increase Rider

Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 4% of the previous year's benefit amounts. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with rising long term care costs.

End 4%Cola2

If 3%Cola2 is illustrated

### 3% Lifetime Compound Benefit Increase Rider

Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 3% of the previous year's benefit amounts. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with rising long term care costs. End 3%Cola2

If 2Xcola2 is illustrated

### Two Times Compound Benefit Increase Rider

Two Times Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 5% of the previous year's benefit amounts. This is done until your benefit amounts first exceed two times your original benefit amounts. At 5% compounding, it will take just over 14 years for your benefit amounts to first exceed two times your original benefit amounts. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with rising long term care costs.

End 2xcola2

If Simple2 is illustrated

#### Simple Benefit Increase Rider

Simple inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts each year by 5% of the policy's initial benefit level. Your remaining Lifetime Benefit Pool is increased by 5% of the policy's initial benefit level divided by the benefit amounts just before the increase. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with using long term care costs.

End Simple2

| <u>Age</u> | Initial Daily Benefit | Daily Benefit | Lifetime Benefit | Annual Premium |
|------------|-----------------------|---------------|------------------|----------------|
| SpResAge   | DailyFC2              | DailyFC2      | MaxLifeBen2      | AnnualPremium2 |
| SpResAge+3 | DailyFC2              | 2             | 2                | AnnualPremium2 |
| SpResAge+6 | DailyFC2              | ?             | ?                | AnnualPremium2 |
| SpResAge+9 | DailyFC2              | ?             | ?                | AnnualPremium2 |

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| SpResAge+12 | DailyFC2 | ? | ? | AnnualPremium2 |
|-------------|----------|---|---|----------------|
| SpResAge+15 | DailyFC2 | ? | ? | AnnualPremium2 |
| SpResAge+18 | DailyFC2 | ? | ? | AnnualPremium2 |
| SpResAge+21 | DailyFC2 | ? | ? | AnnualPremium2 |
| SpResAge+24 | DailyFC2 | ? | ? | AnnualPremium2 |
| SpResAge+27 | DailyFC2 | ? | ? | AnnualPremium2 |
| SpResAge+30 | DailyFC2 | ? | ? | AnnualPremium2 |

#### PACKAGE C

130% Home and Community Care Daily Benefit Home and Community Care Monthly Benefit \$DailyFC2x 25 Monthly Indemnity Benefit

If 5%Life2 is illustrated

5% Lifetime Compound Benefit Increase Rider

Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 5% of the previous year's benefit amounts. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with rising long term care costs End 5%Life2

If 4%Cola2 is illustrated

## 4% Lifetime Compound Benefit Increase Rider

Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 4% of the previous year's benefit amounts. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with rising long term care costs End 4%Cola2

If 3%Cola2 is illustrated

## 3% Lifetime Compound Benefit Increase Rider

Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 3% of the previous year's benefit amounts. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with rising long term care costs

End 3%Cola2

If 2Xcola2 is illustrated

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#### Two Times Compound Benefit Increase Rider

Two Times Compound inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts and your remaining Lifetime Benefit Pool each year by 5% of the previous year's benefit amounts. This is done until your benefit amounts first exceed two times your original benefit amounts. At 5% compounding, it will take just over 14 years for your benefit amounts to first exceed two times your original benefit amounts. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with rising long term care costs.

End 2xcola2

## If Simple2 is illustrated Simple Benefit Increase Rider

Simple inflation protection is an automatic increase to your policy's Daily Benefit amounts and Lifetime Benefit Pool. The inflation protection is added annually and increases your benefit amounts each year by 5% of the policy's initial benefit level. Your remaining Lifetime Benefit Pool is increased by 5% of the policy's initial benefit level divided by the benefit amounts just before the increase. This is done for as long as your policy is in force. The inflation protection also continues while you are receiving benefits from your policy. Long term care costs have increased in the past and are likely to continue to increase in the future. By having inflation protection, your benefits are more likely to keep up with using long term care costs. End Simple2

| •           |                       |               |                  |                 |
|-------------|-----------------------|---------------|------------------|-----------------|
| <u>Age</u>  | Initial Daily Benefit | Daily Benefit | Lifetime Benefit | Annual Premium  |
| SpResAge    | DailyFC2              | DailyFC2      | MaxLifeBen2      | AnnualPremium2  |
| SpResAge+3  | DailyFC2              | 7             | ?                | AnnualPremium2  |
| SpResAge+6  | DailyFC2              | ?             | ?                | AnnualPremium2  |
| SpResAge+9  | DailyFC2              | ?             | ?                | AnnualPremium2  |
| SpResAge+12 | DailyFC2              | ?             | ?                | AnnualPremium2  |
| SpResAge+15 | DailyFC2              | ?             | ?                | AnnualPremium2  |
| SpResAge+18 | DailyFC2              | ?             | ?                | AnnualPremium2  |
| SpResAge+21 | DailyFC2              | ?             | ?                | AnnualPremium2  |
| SpResAge+24 | DailyFC2              | ?             | ?                | AnnualPremium2  |
| SpResAge+27 | DailvFC2              | ?             | ?                | AnnualPremium2  |
| SpResAge+30 | DailyFC2              | ?             | ?                | AnnualPremium21 |

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# [Generation Protector Select Long Term Care Insurance Illustration Premium Rates for Other Available Coverage Packages]

[ClientFirstName ClientLastName ClientGender Age ClientAge, ClientRiskClass BenPeriod1 Benefit Period 90 Calendar Day Elimination Period \$DailyFC1 Facility Care Daily Benefit If nders are chosen then RiderTitles Endi

## No COLA Rider

Package A Package B Package C

Benefit

Period 4 Years

5 Years

3 Years

3% Lifetime Compound Benefit Increase Rider

Package A Package B Package C

Benefit Period 3 Years 4 Years

5 Years

4% Lifetime Compound Benefit Increase Rider

Package A Package B Package C

Benefit

3 Years 4 Years

Period

5 Years

Two Times Compound Benefit Increase Rider

Package A Package B Package C

Benefit Period 3 Years 4 Years

5 Years

Simple Benefit Increase Rider

Package A Package B Package C

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## Allianz Life Insurance Company of North America



## [Generation Protector Select Long Term Care Insurance Illustration

## Premium Rates for Other Available Coverage Packages]

Benefit 3 Years
Period 4 Years
5 Years

## 5% Lifetime Compound Benefit Increase Rider

|         |         | Package A | Package B | Package C |
|---------|---------|-----------|-----------|-----------|
| Benefit | 3 Years |           |           |           |
| Penod   | 4 Years |           |           |           |
|         | 5 Years |           |           |           |

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# [Generation Protector Select Long Term Care Insurance Illustration Premium Rates for Other Available Coverage Packages]

SpResFirstName SpResLastName
SpResGender Age SpResAge, SpResRiskClass
BenPeriod2 Benefit Period
90 Calendar Day Elimination Period
\$DailyFC2 Facility Care Daily Benefit
If riders are chosen then
RiderTitles
endif

### No COLA Rider

Package A Package B Package C

Benefit 3 Years Period 4 Years

5 Years

3% Lifetime Compound Benefit Increase Rider

Package A Package B Package C

Benefit 3 Years Period 4 Years

5 Years

4% Lifetime Compound Benefit Increase Rider

Package A Package B Package C

Benefit 3 Years Period 4 Years

5 Years

Two Times Compound Benefit Increase Rider

Package A Package B Package C

Benefit 3 Years Period 4 Years

5 Years

Simple Benefit Increase Rider

Package A Package B Package C

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## Allianz Life Insurance Company of North America



## [Generation Protector Select Long Term Care Insurance Illustration

## **Premium Rates for Other Available Coverage Packages**]

Benefit 3 Years
Period 4 Years
5 Years

## 5% Lifetime Compound Benefit Increase Rider

|         |         | Package A | Package B | Package C |
|---------|---------|-----------|-----------|-----------|
| Benefit | 3 Years |           |           |           |
| Period  | 4 Years |           |           |           |
|         | 5 Years |           |           | 1         |

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## [Generation Protector Select Long Term Care Insurance Illustration Break Even Analysis]

[ClientFirstName ClientLastName ClientGender Age ClientAge, ClientRiskClass BenPeriod1 Benefit Period 90 Calendar Day Elimination Period \$DailyFC1 Facility Care Daily Benefit If nders are chosen then RiderTitles Endif

#### **PACKAGE A**

70% Home and Community Care Daily Benefit

Individual Annual Premium \$AnnualPremiumA1

| Years Premium Paid | Days to Recover Premiums Paid |
|--------------------|-------------------------------|
| 1                  | \$todate1/dailybenefit        |
| 5                  | \$todate1/dailybenefit        |
| 10                 | \$todate1/dailybenefit        |
| 15                 | \$todate1/dailybenefit        |
| 20                 | \$todate1/dailybenefit        |
| × 25               | \$todate1/dailybenefit        |

## PACKAGE B

100% Home and Community Care Daily Benefit Home and Community Care Monthly Benefit Individual Annual Premium \$AnnualPremiumB1

| Years Premium Paid | Days to Recover Premiums Paid |
|--------------------|-------------------------------|
| 1                  | \$todate1/dailybenefit        |
| 5                  | \$todate1/dailybenefit        |
| 10                 | \$todate1/dailybenefit        |
| 15 ,               | \$todate1/dailybenefit        |
| 20                 | \$todate1/dailybenefit        |
| 25                 | \$todate1/dailybenefit        |

## PACKAGE C

130% Home and Community Care Daily Benefit Home and Community Care Monthly Benefit \$DailyFC1x 25 Monthly Indemnity Benefit

| Individual Annual Premium \$A | nnualPremiumC1 |
|-------------------------------|----------------|
|-------------------------------|----------------|

| Years Premium Paid | Days to Recover Premiums Paid |
|--------------------|-------------------------------|
| 1                  | \$todate1/dailybenefit        |
| 5                  | \$todate1/dailybenefit        |
| 10                 | \$todate1/dailybenefit        |
| 15                 | \$todate1/dailybenefit        |
| 20                 | \$todate1/dailybenefit        |
| 25                 | \$todate1/darlybenefit        |

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## [Generation Protector Select Long Term Care Insurance Illustration Break Even Analysis]

SpResFirstName SpResLastName
SpResGender Age SpResAge, SpResRiskClass
BenPeriod2 Benefit Period
90 Calendar Day Elimination Period
\$DailyFC2 Facility Care Daily Benefit
If nders are chosen then
RiderTitles
Endif

## **PACKAGE A**

70% Home and Community Care Daily Benefit

Individual Annual Premium \$AnnualPremiumA2

| Years Premium Paid | Days to Recover Premiums Paid |
|--------------------|-------------------------------|
| 1                  | \$todate2/dailybenefit        |
| 5                  | \$todate2/dailybenefit        |
| 10                 | \$todate2/dailybenefit        |
| 15                 | \$todate2/dailybenefit        |
| 20                 | \$todate2/dailybenefit        |
| 25                 | \$todate2/dailybenefit        |

#### **PACKAGE B**

100% Home and Community Care Daily Benefit Home and Community Care Monthly Benefit Individual Annual Premium \$Annual Premium B2

| Years Premium Paid | Days to Recover Premiums Paid |
|--------------------|-------------------------------|
| 1                  | \$todate2/dailybenefit        |
| 5                  | \$todate2/dailybenefit        |
| 10                 | \$todate2/dailybenefit        |
| 15                 | \$todate2/dailybenefit        |
| 20                 | \$todate2/dailybenefit        |
| 25                 | \$todate2/dailybenefit        |

## PACKAGE C

130% Home and Community Care Daily Benefit Home and Community Care Monthly Benefit \$DailyFC2x 25 Monthly Indemnity Benefit

| Individual Annual Premium | \$AnnualPremiumC2 |
|---------------------------|-------------------|
|---------------------------|-------------------|

| Years Premium Paid | Days to Recover Premiums Paid |
|--------------------|-------------------------------|
| 1                  | \$todate2/dailybenefit        |
| 5                  | \$todate2/dailybenefit        |
| 10                 | \$todate2/dailybenefit        |
| 15                 | \$todate2/dailybenefit        |
| 20                 | \$todate2/dailybenefit        |
| 25                 | \$todate2/dailybenefit ]      |

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# [Generation Protector Select Long Term Care Insurance Illustration Enhanced Coverage Analysis]

[ClientFirstName ClientLastName
ClientGender Age ClientAge, ClientRiskClass
BenPenod1 Benefit Penod
90 Calendar Day Elimination Penod
\$DailyFC1 Facility Care Daily Benefit
If nders are chosen then
RiderTitles
Endif

Individual Annual Premium \$AnnualPremium1

Annual Inflation Assumption CPI01%

### Package A

70% Home and Community Care Daily Benefit

|             |              |               |                | <u>Elimination</u> | <u>Additional</u> | <u>Total</u> |
|-------------|--------------|---------------|----------------|--------------------|-------------------|--------------|
| Policy Year | <u>Age</u>   | Daily Benefit | Benefit Period | <u>Period</u>      | <u>Premium</u>    | Premium      |
| 5           | ClientAge+5  |               |                |                    |                   |              |
| 10          | ClientAge+10 |               |                |                    |                   |              |
| 15          | ClientAge+15 |               |                |                    |                   |              |
| 20          | ClientAge+20 |               |                |                    |                   |              |
| 25          | ClientAge+25 |               |                |                    |                   |              |
| 30          | ClientAge+30 |               |                |                    |                   |              |

### Package B

100% Home and Community Care Daily Benefit Home and Community Care Monthly Benefit

|             |              |               |                | <u>Elimination</u> | <u>Additional</u> | <u>Total</u>   |
|-------------|--------------|---------------|----------------|--------------------|-------------------|----------------|
| Policy Year | <u>Age</u>   | Daily Benefit | Benefit Period | <u>Period</u>      | <u>Premium</u>    | <u>Premium</u> |
| 5           | ClientAge+5  |               |                |                    |                   |                |
| 10          | ClientAge+10 |               |                |                    |                   |                |
| 15          | ClientAge+15 |               |                |                    |                   |                |
| 20          | ClientAge+20 |               |                |                    |                   |                |
| 25          | ClientAge+25 |               |                |                    |                   |                |
| 30          | ClientAge+30 |               |                |                    |                   |                |

### Package C

130% Home and Community Care Daily Benefit Home and Community Care Monthly Benefit \$DailyFC1x 25 Monthly Indemnity Benefit

| Policy Year | Age          | Daily Benefit | Benefit Period | Elimination<br>Period | Additional<br>Premium | <u>Total</u><br>Premium |
|-------------|--------------|---------------|----------------|-----------------------|-----------------------|-------------------------|
| 5           | ClientAge+5  |               |                |                       |                       |                         |
| 10          | ClientAge+10 |               |                |                       |                       |                         |
| 15          | ClientAge+15 |               |                |                       |                       |                         |
| 20          | ClientAge+20 |               |                |                       |                       |                         |
| 25          | ClientAge+25 |               |                |                       |                       |                         |
| 30          | ClientAge+30 |               |                |                       |                       |                         |

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# [Generation Protector Select Long Term Care Insurance Illustration Enhanced Coverage Analysis]

SpResFirstName SpResLastName
SpResGender Age SpResAge, SpResRiskClass
BenPenod2 Benefit Penod 
90 Calendar Day Elimination Penod
\$DailyFC2 Facility Care Daily Benefit
If nders are chosen then
RiderTitles

Individual Annual Premium \$AnnualPremium2
Annual Inflation Assumption CPI02%

#### Package A

endif

70% Home and Community Care Daily Benefit

|             | _            |               |                | <u>Elimination</u> | <u>Additional</u> | <u>Total</u>   |
|-------------|--------------|---------------|----------------|--------------------|-------------------|----------------|
| Policy Year | <u>Age</u>   | Daily Benefit | Benefit Period | <u>Period</u>      | <u>Premium</u>    | <u>Premium</u> |
| 5           | SpResAge+5   |               |                |                    |                   |                |
| 10          | SpResAge+10  |               |                |                    |                   |                |
| 15          | SpResAge+15  |               |                |                    |                   |                |
| 20          | SpResAge+20  |               |                |                    |                   |                |
| 25          | SpResAge+25  |               |                |                    |                   |                |
| 30          | ClientAge+30 |               |                |                    |                   |                |

## Package B

100% Home and Community Care Daily Benefit Home and Community Care Monthly Benefit

|             |              |               |                | <u>Elimination</u> | <u>Additional</u> | <u>Total</u>   |
|-------------|--------------|---------------|----------------|--------------------|-------------------|----------------|
| Policy Year | <u>Age</u>   | Daily Benefit | Benefit Period | <u>Period</u>      | <u>Premium</u>    | <u>Premium</u> |
| 5           | SpResAge+5   |               |                |                    |                   |                |
| 10          | SpResAge+10  |               |                |                    |                   |                |
| 15          | SpResAge+15  |               |                |                    |                   |                |
| 20          | SpResAge+20  |               |                |                    |                   |                |
| 25          | SpResAge+25  |               |                |                    |                   |                |
| 30          | ClientAge+30 |               |                |                    |                   |                |

### Package C

130% Home and Community Care Daily Benefit Home and Community Care Monthly Benefit \$DailyFC1x 25 Monthly Indemnity Benefit

| Age          | Daily Benefit   | Benefit Period  | Elimination<br>Period   | Additional<br>Premium   | <u>Total</u><br><u>Premium</u>  |
|--------------|---|---|---|---|---|
| ClientAge+5  |   |   |   |   |   |
| ClientAge+10 |   |   |   |   |   |
| ClientAge+15 |   |   |   |   |   |
| ClientAge+20 |   |   |   |   |   |
| ClientAge+25 |   |   |   |   |   |
| ClientAge+30 |   |   |   |   | )   |
|              | ClientAge+5<br>ClientAge+10<br>ClientAge+15<br>ClientAge+20<br>ClientAge+25 | ClientAge+5<br>ClientAge+10<br>ClientAge+15<br>ClientAge+20<br>ClientAge+25 | ClientAge+5<br>ClientAge+10<br>ClientAge+15<br>ClientAge+20<br>ClientAge+25 | Age Daily Benefit Benefit Period Period ClientAge+5 ClientAge+10 ClientAge+15 ClientAge+20 ClientAge+25 | Age Daily Benefit Benefit Period Period Premium ClientAge+5 ClientAge+10 ClientAge+15 ClientAge+20 ClientAge+25 |

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Allianz Life\* The best at next\*\*

## Component Header SERT-6P8JCX819/00-12/00-00/00

## **Component Header**

Component 12 - Rev 00

Created by Tammy Smasal on 04/26/2006

Assigned To Mary Ann Mason, [Receiver]

Company List Allianz Life Insurance Company

Sent 04/26/2006 09 43 27 AM

Other Authors None

TOI LTC03I Individual Long Term Care

SubTOI LTC03I 001 Qualified

**Tracking Information:** 

State

Vırgınıa

State Tracking # Component Status

7/26579 Disapproved

SERFF Tracking # Component Status

SERT-6P8JCX819/00-12/00-00/00

(SERFF)

Disposition Date Implementation

Effective Date

Requirement

None None Delivery Date Reviewer

Assigned to Reviewer 04/26/2006 09 56 46 AM

Mary Ann Mason, [Receiver]

Date

Deemer Date

(State)

None None

None

Reviewer Phone Reviewer Fax Primary Reviewer None None None

Status

**Component Information:** 

Component Type

Supporting

Component Action

State Specific Code

Initial

None

Lead Form Number

Documentation

11-CB

Requirement

N/A

Satisfied

Brief Description

Uniform Transmittal Document

Filer's Notes Document(s) None None

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

**Company Information** 

Allianz Life Insurance Company of North

Contact

Smasal, Tammy

America

File Attachments:

VA adv transmittal (uniform) pdf

1

## Life, Accident & Health, Annuity, Credit Transmittal Document (Revised 1/1/05)

| 1   | 1 Prepared for the State of Virginia                                     |   |                            |                      |            |                        |  |
|---|--|---|----------------------------|----------------------|------------|------------------------|--|
| 2.  |  |   |                            |                      |            |                        |  |
| State Tracking 1D  3. Insurer Name & Address Domicile NAIC Group # NAIC # FEIN #  Allianz Life Insurance Company of North America MN 90611 41-13660 |  |   |                            |                      |            |                        |  |
|   | olden Hills Drive<br>polis, MN 55416                                     |   |                            |                      |            | 75                     |  |
| 4.  | Filer Name & Address   | Telephone#  | Fax #                      | E-ma                 | ıl Address |                        |  |
| Tammy Smasal 800-328-5  |  | 800-328-5601 X32804   | 763-582-6495               | 763-582-6495 tammy m |            | _smasal@allianzlife co |  |
| 5.  | 5. Filing Method Paper Electronic/Serff Tracking NumberSERT-6P8JCX819/00 |   |                            |                      |            |                        |  |
| 6.  | Company Tracking Numb  | er 11-CB  | ···········                |                      |            |                        |  |
| 7.  | ■ Individual   |   | □ Small □ Large □ Any size |                      |            |                        |  |
| 8.  | <del> </del>   |   |                            |                      |            |                        |  |
| 9.  | Product Coding Matrix Filing Code  LTC03I.001 Qualified                  |   |                            |                      |            |                        |  |
| 10.   | Submitted Documents  | Forms  Policy Outline of Coverage Certificate Rider/Endorsement Application/Enrollment Actuarial Memorandum  Actuarial Memorandum |                            |                      |            |                        |  |
|   | Report   |   |                            |                      |            |                        |  |
| 11.   | Filing Submission Date   | 04/26/2006  |                            |                      |            |                        |  |
| 12.   | Filing Fee<br>(If required)  | Retaliatory Yes No Check Number   |                            |                      |            |                        |  |
| 13.   | Date of Domiciliary Appro  | val   |                            |                      |            |                        |  |

LH TD-1, Page 1 of 2

| 14. Filing Description:                                      |          |                          |       |  |
|--|----------|--------------------------|-------|--|
| See cover letter   |          |                          |       |  |
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|  | View Com | plete Filing Description | ords, |  |
| 5. Certification (If required) HEREBY CERTIFY that I have re |          |                          |       | ······································ |

| 15. Certification (If required)       |  |
|---------------------------------------|--|
|                                       | wed the applicable filing requirements for this filing, and complies with all applicable |
| statutory provisions for the state of | Virginia   |
| Print Name Vickie Hendrickson         | Tule Assistant Vice President  |
| Original Signature Vickie Hendrickson | Date 04/26/2006  |

LH TD-1, Page 2 of 2

## Effective January 1, 2005

| 16.  | Form Filing Attachment                             |       |  |  |
|--|--|-------|--|--|
| This filing transmittal is part of company tracking number |  | 11-CB |  |  |
| This f   | filing corresponds to rate filing company tracking |       |  |  |
| numb   | per  |       |  |  |

|    | Document Name          | Form Number |                                      | Replaced Form Number         |
|----|------------------------|-------------|--------------------------------------|------------------------------|
|    | Description            |             |                                      | Previous State Filing Number |
| 01 | Consumer Brochure      | 11-CB       | [] Initial [] Revised [] Other       | N/A                          |
| 02 | Consumer Product Guide | 11-CPG      | [] Initial [] Revised [] Other       |                              |
| 03 | Consumer Brochure      | 11-CB-SEL   | [] Initial [] Revised [] Other       | _                            |
| 04 | Consumer Brochure      | 11-CB-EMP   | [] Initial [] Revised [] Other       |                              |
| 05 | Consumer Brochure      | 0-SCB3      | [] Initial [] Revised [] Other       |                              |
| 06 | Consumer Advertisement | 0-M91       | [] Initial<br>[] Revised<br>[] Other |                              |
| 07 | Illustration           | 11-ILL      | [] Initial [] Revised [] Other       |                              |
| 08 | Illustration           | 11-ILL-SEL  | [] Initial [] Revised []Other        | _                            |
| 09 |                        |             | [] Initial [] Revised []Other        |                              |
| 10 |                        |             | [] Initial [] Revised []Other        |                              |
| 11 |                        |             | [] Initial [] Revised []Other        | _                            |
| 12 |                        |             | [] Initial [] Revised []Other        |                              |

| 17.    |   | Rate Filing           | Attachment            |                                 |
|--------|---|-----------------------|-----------------------|---------------------------------|
|        | filing transmittal is part of company track |                       | 11-CD                 |                                 |
|        | filing corresponds to form filing company   | tracking number       |                       |                                 |
| Ove    | rall percentage rate impact for this filing |                       |                       | %                               |
|        | Document Name                               | Affected Form Numbers |                       | Previous State Filing<br>Number |
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Reset Form

### Note to Filer SERT-6P8JCX819/00-12/00-01/00

## Note to Filer

Report Type Note to Filer Filing Originally Sent 04/26/2006 09 43 27

Sent 06/06/2006 09 43 34 AM Created by Mary Ann Mason on 06/06/2006

State Virginia Response To ComponentHeader

SERT-6P8JCX819/00-12/00-01/00 SERFF Tracking Response To SERT-6P8JCX819/00-12/00-00/00

SERFF Tracking No No

Allianz Life Insurance

Lead Company Company Allianz Life Insurance Company of North America Company of North America

Product Name Generation Protector Project Name GenPro II Advertising

II/Select

Filing Date 04/26/2006 09 43 27 AM Project No 11-CB

State Tracking No 7/26579 Company Tracking None

IOT Sub TOI LTC03I Individual Long LTC03I 001 Qualified Term Care

Report Status Incomplete Filing SERFF Status None

Reviewer Phone No None Status Effective 06/06/2006 Date

Report Information: Note to Filer Subject

Comments The certification does not display the signature of the officer of the

Company We are not questioning the veracity of the position we just

need the signature

Thanks

File Attachments: None

## Component Header SERT-6P8JCX819/00-12/01-00/00

## **Component Header**

Component 12 - Rev 01

Created by Tammy Smasal on 06/07/2006

Assigned To Mary Ann Mason, [Receiver]

Company List Allianz Life Insurance Company

Sent 04/26/2006 09 43 00 AM

Other Authors None

TOI LTC03I Individual Long Term Care

SubTOI LTC031 001 Qualified

**Tracking Information:** 

State

Virginia

State Tracking # Component Status 7/26579 Received

&Acknowledged

(State) Disposition Date

None None

None

None

Implementation Date

Deemer Date None

Effective Date Requirement

SERFF Tracking #

Component Status

(SERFF)

Delivery Date Reviewer

Viewed by State

SERT-6P8JCX819/00-12/01-00/00

06/07/2006 12 48 54 PM Mary Ann Mason, [Receiver]

Resubmitted

None

None

Reviewer Phone Reviewer Fax Primary Reviewer

Component Action

State Specific Code

None None

Status

**Component Information:** 

Component Type

Supporting

Documentation

Lead Form Number

II-P-Q-VA N/A

Requirement

Satisfied **Brief Description** 

Certificate of Compliance

Filer's Notes Document(s) None None

**Company Contact:** 

Lead Company

Allianz Life Insurance Company of North America

**Company Information** 

Allianz Life Insurance Company of North

America

Contact

Smasal, Tammy

File Attachments.

VA Certificate of Compliance pdf

1

#### **VIRGINIA**

## **CERTIFICATE**

RE: Form #: 11-P-Q-VA, et al

The Company has reviewed the enclosed policy form(s) and certifies that, to the best of its knowledge and belief, each form submitted is consistent and complies with the requirements of Title 38 1 of the Code of Virginia and the regulations promulgated pursuant thereto

Date June 7, 2006

Vickie Hendrickson
Assistant Vice President, Compliance

#### Component Header SERT-6P8JCX819/00-13/00-00/00

# **Component Header**

Component 13 - Rev 00

Created by Tammy Smasal on 04/26/2006 Assigned To Mary Ann Mason, [Receiver]

Company List Allianz Life Insurance Company

Sent 04/26/2006 09 43 27 AM

Other Authors None

TOI LTC031 Individual Long Term Care

SubTOI LTC03I 001 Qualified

**Tracking Information:** 

State

Virginia

State Tracking # Component Status 7/26579 Received

&Acknowledged

None

None

Disposition Date

Implementation

Date

(State)

Deemer Date None Effective Date None Requirement None

Status

SERFF Tracking #

Component Status

(SERFF) Delivery Date

Reviewer

04/26/2006 09 56 47 AM Mary Ann Mason, [Receiver]

Initial

None

Assigned to Reviewer

SERT-6P8JCX819/00-13/00-00/00

Reviewer Phone None Reviewer Fax None Primary Reviewer

Component Action

State Specific Code

Contact

Smasal, Tammy

None

**Component Information:** 

Component Type

Supporting

Documentation

Lead Form Number Requirement

11-CB N/A

Satisfied

Brief Description

Cover Letter Filer's Notes None Document(s) None

**Company Contact:** 

Lead Company

Alhanz Life Insurance Company of North America

Company Information

Allianz Life Insurance Company of North

America

File Attachments:

VA GenPro II Advertising Letter pdf

1

# Allianz Life Insurance Company of North America 5701 Golden Hills Drive Minneapolis, MN 55416-1297



April 26, 2006

State Corporation Commission Bureau of Insurance PO Box 1157 Richmond, VA 23218

RE: Allianz Life Insurance Company of North America / NAIC 90611 / FEIN #41-1366075
Advertising Material for use with Long Term Care Insurance Policy 11-P-Q-VA, et al, currently being reviewed by the Department under SERFF Tracking #SERT-6L7NDC243/00

Form 11-CB is a consumer brochure describing the "customizable" plan Please note, the marketing name of the product is Generation Protector II

Form 11-CPG is a consumer product guide describing the "customizable" plan's product features and additional riders. Please note, the marketing name of the product is Generation Protector II

Form 11-CB-SEL is a consumer brochure describing the "packages" plan Please note, the marketing name of the product is Generation Protector Select

Form 11-CB-EMP is a consumer brochure to be presented to potential sponsoring employer groups

Form 0-SCB3 is a consumer brochure describing the facts about long term care. Please note that this brochure will be used with this policy series, as well as with any previously approved policies.

Form 0-M91 is a consumer advertisement providing information about our company and our long term care insurance. Please note that this consumer advertisement will be used with this policy series, as well as with any previously approved policies.

Form 11-ILL is an illustration for the "customizable" plan and Form 11-ILL-SEL is an illustration for the "packages" plan. These illustrations are generated by an agent using a software package, where the agent enters the applicants' benefit choices and premium amounts are calculated. There are also optional reports that the agent can generate, which would be made a part of the illustrations. These optional reports are bracketed, as the agent may not choose to generate them, meaning that they would not always be a part of the illustrations.

To the best of our knowledge and belief, the above forms conform to all State Insurance Statutes, Regulations and Department requirements

Please do not hesitate to call me with any questions you may have at 800-328-5601, extension 32804 Thank you for your consideration

Sincerely,

Tammy Smasal

Sr Compliance Analyst Product/Forms Filing Compliance E-mail tammy\_smasal@allianzlife.com Fax 763/582-6495 r 🚰 🙉

Patty Wuensch/allianzlife

05/25/2006 07 53 AM

To Tammy Smasai/allianzlife@AZLIFE

Kathy Ignagni/allianzlife@AZLIFE, Martin

cc Kline/allianzlife@AZLIFE, Rose Tibke/allianzlife@AZLIFE, Todd Petit/allianzlife@AZLIFE

bcc

Subject Re VA GenPro II/Select ☐

Tammy, I've reviewed the proposed revisions and I'm comfortable with the new wording. As far as the changes to the claim procedures section, I think the additional exposure is very minimal and probably doesn't prevent us from getting what we need if the situation justifies it. Let me know if there are any questions. Thanks!

Patty Wuensch, ALHC, LTCP
Principal Claim Consultant
Allianz Life Insurance Company of North America
Individual Insurance Group
5701 Golden Hills Drive
Minneapolis, MN 55416-1297
Tammy Smasal/allianzlife



Tammy Smasal/allianzlife 05/24/2006 05 22 PM

To Patty Wuensch/allianzlife@AZLIFE

Kathy Ignagni/allianzlife@AZLIFE, Martin

cc Kline/allianzlife@AZLIFE, Rose Tibke/allianzlife@AZLIFE, Todd Petit/allianzlife@AZLIFE

Subject Re VA GenPro II/Select

Hi Patty.

Attached is a comparison document showing the revisions I've made as a result of the objections outlined in my below e-mail. Let me know if this looks okay, as well as if you have any questions. Thanks, Tammy Smasal. Senior Compliance Analyst.

Policy Forms Filing Compliance



11-P-Q-VA3 compara.doc

Patty Wuensch/allianzlife

Patty Wuensch/allianzlife

05/24/2006 11 14 AM

To Tammy Smasal/allianzlife@AZLIFE

Kathy Ignagni/allianzlife@AZLIFE, Martin

cc Kline/allianzlife@AZLIFE, Rose Tibke/allianzlife@AZLIFE, Todd Petit/allianzlife@AZLIFE

Subject Re VA GenPro II/Select

Tammy, it appears from your e-mail that we have presented our arguments and have no other options but

to comply It would help me to see the final proposed language for these three sections before they are filed. I don't think the revisions you've outlined should be so critical as to cause huge concerns about the impact to claims, but I would prefer to see the revised language first. Is that possible? Thanks!

Patty Wuensch, ALHC, LTCP
Principal Claim Consultant
Allianz Life Insurance Company of North America
Individual Insurance Group
5701 Golden Hills Drive
Minneapolis, MN 55416-1297
Tammy Smasal/allianzlife



Tammy Smasal/allianzlife 05/23/2006 01 18 PM

To Patty Wuensch/allianzlife@AZLIFE

Rose Tibke/allianzlife@AZLIFE, Kathy

cc Ignagni/allianzlife@AZLIFE, Martin Kline/allianzlife@AZLIFE, Todd Petit/allianzlife@AZLIFE

Subject VA GenPro II/Select

Hi Patty,

I've received a 2nd objection letter from the VA DOI. The following objections are those on which I need your input

Please add "care" to the caption for adult day services if this provision is intended to conform to the definition of adult day care as expressed in 14 VAC 5-200-50

I already argued this in our last response with the following argument "Please refer to the "Adult Day Services" definition under the Home and Community Care Benefit section in the policy This definition includes all of the elements expressed in 14 VAC 5-200-50"

In effect, it looks like we'll have to title the definition as "adult day care services "

The claim form must not be more restrictive that "a written statement as to the nature and extent of the loss". The additional requirements and lead-in items must be removed. This is a uniform policy provision that the Commonwealth of Virginia recognizes as its claim forms provision. The provision in the statute (as expressed) by Section 38 2-3503 6 of the Code of Virginia prevails. A written statement is not required to be accompanied by bills or any other documentation.

Again, I already argued this in our last response with the following argument "In providing a list of items that the letter should include, we are clarifying what "nature and extent of the loss" means. We do not feel that the average person would know what type of information they should include if we simply say "nature and extent of the loss," so, in being specific, it makes it easier for the insured, as well as the company Providing this list will also reduce the amount of time in which a claim is processed, as, hopefully, we'll receive the necessary information up front rather than requesting it after we receive the insured's letter."

In effect, it looks like we'll have to revise the 2nd paragraph of the "Claim Form" provision to specifically state "nature and extent of your loss," rather than "character and extent of your Chronic Illness." In addition, the list of items that the letter should include will have to be deleted.

Section 38 2-3503 7 sets forth a proof of loss provision that is based solely on "written proof of loss" and this uniform policy provision should be the same in the policy. The statute prevails. As you may remember, we conceded on a couple of things and argued another in our last response, as follows: "With respect to proof of loss being limited to "written proof of loss" and not personal interviews, assessments, and other proof we deem necessary, the "Proof of Loss" and "Continued Proof of Loss" provisions under the Claim Procedures section in the policy have been revised to delete "or an

assessment of you" in item (a), as well as to delete item (d) which read as follows "any other proof we deem necessary". Please replace the policy under CH03 with this attached policy.

We have not deleted the language with respect to "personal interviews," as such interviews often provide valuable information in order to help us understand the claimant's limitations and the type of assistance they may need. This information helps us to make an equitable determination regarding eligibility. Please reconsider your direction to delete such "personal interview" language."

In effect, it looks like we'll have to revise the "Proof of Loss" and "Continued Proof of Loss" provisions to delete "a personal interview with you " and "a personal interview with your caregiver "

Once we resolve these issues, it looks like the filing will be approved, as the letter I received states that the rates are ready for approval. Let me know, by the end of day Thursday, if you have any issues with my above proposed revisions. Attached is the VA policy to which the above objections apply. None of the proposed revisions have been made yet. Let me know if you have any questions. Thanks, Tammy Smasal.

Senior Compliance Analyst. Policy Forms Filing Compliance.



Patty Wuensch/allianzlife 03/15/2006 08 14 AM

To Tammy Smasal/all:anzl:fe@AZLIFE

cc Lisa Phillips/allianzlife@AZLIFE

bcc

Subject Re Fw VA GenPro II/Select €

Tammy, as long as VA has not objected to the Physical Examination provision, I think we are actually ok to remove the assessment language in Proof of Loss since we could argue that this would fall under the Physical Examination provision. As to the interviews with the claimant and/or caregiver, I would argue that such interviews often provide valuable information to help us understand the claimant's limitations and the type of assistance they may need. This information helps us to make an equitable determination regarding eligibility. If the state will not allow the language, administratively we would still do interviews, where appropriate. However, if a claimant asked us for a contractual basis to support our right to do so, we would have nothing to point to. The risk is probably pretty small, but I think it's still worth making the argument with VA. As for the "any other proof we deem necessary" language, my recollection is that we have had to remove this for a few other state filings, so I don't see that we would approach this one any differently

Let me know if there are any questions

Patty Wuensch, ALHC, LTCP
Principal Claim Consultant
Allianz Life Insurance Company of North America
Individual Insurance Group
5701 Golden Hills Drive
Minneapolis, MN 55416-1297
Tammy Smasal/allianzlife



Tammy Smasal/allianzlife 03/15/2006 07 24 AM

To Patty Wuensch/allianzlife@AZLIFE

CC

Subject Fw VA GenPro II/Select

Hi Patty,

Do you think you could respond to the below e-mail by the end of the day tomorrow? I'd really like to get a response back to the Department as soon as possible. Let me know if that will be a problem. Thanks, Tammy Smasal

Senior Compliance Analyst
Policy Forms Filing Compliance

Forwarded by Tammy Smasal/allianzlife on 03/15/2006 07 23 AM ——



Tammy Smasal/allianzlife

03/09/2006 11 24 AM

To Patty Wuensch/allianzlife

CC

Subject Fw VA GenPro II/Select

Hi again,

One more thought, maybe we could give in on the "any other proof we deem necessary," but provide an

argument for the other two ("a personal interview with you, or an assessment of you, relating to your Chronic Illness" and "a personal interview with your caregiver") Let me know what you think Thanks, Tammy Smasal Senior Compliance Analyst Policy Forms Filing Compliance

--- Forwarded by Tammy Smasal/allianzlife on 03/09/2006 11 19 AM ----



Tammy Smasal/allianzlife

03/09/2006 11 19 AM

To Patty Wuensch/allianzlife

CC

Subject VA GenPro II/Select

#### Hi Patty,

I have an objection from the VA DOI that states the following "Proof of loss should be limited to 'written proof of loss' and not personal interviews, assessments, and any other proof you may deem necessary " As you know, this language appears in the "Proof of Loss" and "Continued Proof of Loss" provisions

Do you want me to argue this? If so, please provide the argument—I'm already arguing a couple of other points, so we might as well give this at least one shot to try to keep it in—Let me know if you have any questions—Thanks,

Tammy Smasal Senior Compliance Analyst Policy Forms Filing Compliance



To Tammy Smasal/allianzlife@AZLIFE

cc Martin Kline/allianzlife@AZLIFE, Rose Tibke/allianzlife@AZLIFE, Todd Petit/allianzlife@AZLIFE

bcc

Subject Re VA GenPro II/Select

1) We have revised Section XIII of the Actuarial Memorandum to address VAC 5-200-77 B 2 b (i) Please see section XIII 1 of the Actuarial Memorandum for a description of the margin for moderately adverse experience that is included in the premium rates

For VAC 5-200-77 B 2 b (ii), please see section X L and XII of the Actuarial Memorandum for a description of the testing of pricing assumptions that was done to support the conclusion that the filed premium rates are sustainable over the life of the form

- 2) Please see section X H Statutory Reserves in the Actuarial Memorandum. Attachments 3 5 provide sample reserve calculations
- 3) We have reviewed VAC 5-200-77 B 3 and the Actuarial Memorandum addresses all the requirements



VA Actuarial Memorandum\_model regidoc

Tammy Smasal/allianzlife



Tammy Smasal/allianzlife 02/14/2006 12 08 PM

To Kathy Ignagni/allianzlife@AZLIFE

cc Martin Kline/allianzlife@AZLIFE, Todd
Petit/allianzlife@AZLIFE, Rose Tibke/allianzlife@AZLIFE
Subject VA GenPro II/Select

Please see the attached objection from the VA actuary, as well as the reg that he references I'm not sure if the actuarial memorandum addresses his first point. With respect to his second point, isn't this attachments 3 through 5 that were submitted? With respect to his third point, it seems to me that the actuarial memorandum addresses all of the required items. Please verify Let me know if you have any questions. Thanks,

Tammy Smasal Senior Compliance Analyst Policy Forms Filing Compliance





VA act obj.dec VA 5-200-77 htm



To Tammy Smasal/allianzlife@AZLIFE

cc Jason Gerhardt/allianzlife@AZLIFE

bcc

Subject VA GenProll Act Memos

## <u>Virginia</u>

State Specific Changes - added language under Actuarial Assumptions, added 3 attachments



VA - Attachment 3 doc



VA Attachments Model Reg xis



VA Actuarial Memorandum\_model reg doc

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| OnBase fil                  | e prepared by:    | Tammy Smasal          |                   |                             | Scanned by:      |            | П |
|-----------------------------|-------------------|-----------------------|-------------------|-----------------------------|------------------|------------|---|
| Date prepa                  | ared:             | 21-Oct-04             |                   |                             | Date:            |            |   |
|                             |                   |                       |                   | •                           | Verified:        |            |   |
| Line of Bu                  | siness            | Long Term Care        |                   | 1                           | QR'd             |            |   |
| Product Na                  | ame:              | Generation Protect    | tor               |                             |                  |            |   |
| State:                      |                   | VA                    |                   |                             |                  |            |   |
|                             |                   |                       | ı                 |                             |                  |            |   |
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| Check                       | Form Numbers:     | State specific        | 1                 |                             |                  |            |   |
| filed forms                 |                   | Otate specific        |                   |                             |                  |            |   |
| X                           | 10-P-Q            | -VA                   |                   |                             |                  |            |   |
| X                           | 10-PS-Q           | -7/1                  |                   |                             |                  |            |   |
| <del>  x</del> −            |                   | 146                   |                   |                             |                  |            |   |
|                             | 10-OC-Q           | -VA                   |                   |                             |                  |            |   |
| X                           | 10-A              | -VA                   |                   |                             |                  |            |   |
| X                           | 10-R1             |                       |                   |                             |                  |            |   |
| Х                           | 10-R2             |                       |                   |                             |                  |            |   |
| Х                           | 10-R3             |                       |                   |                             |                  |            |   |
| х                           | 10-R4             |                       |                   |                             |                  |            |   |
| Х                           | 10-R5             |                       |                   |                             |                  |            |   |
| Х                           | 10-R6             |                       |                   |                             |                  |            |   |
| Х                           | 10-R7             | -VA                   |                   |                             |                  |            |   |
| X                           | 10-R8             | -VA                   |                   |                             |                  |            |   |
| X                           | 10-R9             | -771                  |                   |                             |                  |            |   |
| X                           | 10-R10            |                       |                   |                             |                  |            |   |
| <del>-</del> <del>x</del> − |                   |                       |                   |                             |                  |            |   |
|                             | 10-R11            |                       |                   |                             |                  |            |   |
| X                           | 10-R12            |                       |                   |                             |                  |            |   |
| Х                           | 10-R13            |                       |                   |                             |                  |            |   |
| X                           | 10-R14            |                       |                   |                             |                  |            |   |
| X                           | 10-R15            |                       |                   |                             |                  |            |   |
| Х                           | 10-R16            |                       |                   |                             |                  |            |   |
| Х                           | 10-R17            |                       |                   |                             |                  |            |   |
| х _                         | 10-R18            |                       |                   |                             |                  |            |   |
| Х                           | 10-R19            |                       |                   |                             |                  |            |   |
| Х                           | 10-R20            |                       |                   |                             |                  |            |   |
| Х                           | 10-R21            |                       |                   |                             |                  |            |   |
| Х                           | 10-E-1            | -VA                   |                   |                             |                  |            |   |
| X                           | 10-E-2            | ***                   |                   |                             |                  |            |   |
| X                           | 10-E-3            |                       |                   |                             |                  |            |   |
| X                           | 10-CB             |                       |                   |                             |                  |            |   |
| <del>X</del>                | 10-CR             |                       |                   |                             |                  |            |   |
| <b>├</b>                    | IU-CK             |                       |                   |                             |                  |            |   |
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| Х                           | Paper Filing      |                       |                   |                             |                  |            |   |
|                             |                   |                       |                   |                             |                  |            |   |
|                             | SERFF filing:     |                       |                   |                             |                  |            |   |
|                             | Print all items   |                       |                   |                             |                  |            |   |
|                             | Ensure that only  | the latest version of | the forms are in  | the file since the approved | forms are not    | identified |   |
|                             | -                 |                       |                   | ••                          |                  |            |   |
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|                             |                   | be included in all    | files:            |                             |                  |            |   |
| Х                           | Actuarial Memor   | andum                 |                   |                             |                  |            |   |
| Х                           | Outline of Covera |                       |                   |                             |                  |            |   |
| Х                           | Emails pertaining | to the filing         |                   |                             |                  |            |   |
| Х                           | Confidential Appr |                       |                   |                             |                  |            |   |
| N/A                         | Check (copy) if a |                       |                   |                             |                  |            |   |
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| N/A                         | Forms smaller th  | an 1/2 page of a red  | utar nage ( 8.1/3 | by 11inches) must be tap    | ed to a requirer | папе       |   |
| X                           | Staples removed   |                       | , page ( o nz     | ) i maniost masi ne rat     | to a regular     | hage       |   |
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| Comments                    |                   |                       |                   |                             |                  |            |   |
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#### **Tammy Smasal**

10/23/2003 10:20 AM

To: Barb Quello/allianzlife@AZLIFE, Jill Reeck/allianzlife@AZLIFE, Karen Moessner/allianzlife@AZLIFE, Dan Schneider/allianzlife@AZLIFE

cc: Heidi Boll/allianzlife@AZLIFE, Tim Conklin/allianzlife@AZLIFE, Leah Hammond/allianzlife@AZLIFE, Kris Horstman/allianzlife@AZLIFE, Chris Jansen/allianzlife@AZLIFE, Lisa Koski/allianzlife@AZLIFE, Chris Jansen/allianzlife@AZLIFE, Lisa Koski/allianzlife@AZLIFE, Jason Linn/allianzlife@AZLIFE, Russell Nelson/allianzlife@AZLIFE, Greg Spaeth/allianzlife@AZLIFE, Patty Wuensch/allianzlife@AZLIFE, Dorothy Ellerbroek/allianzlife@AZLIFE, Brian St.

Martin/allianzlife@AZLIFE, Kelly Biegler/allianzlife@AZLIFE, Eric Hawkinson/allianzlife@AZLIFE, Martin Kline/allianzlife@AZLIFE, Dan Nitz/allianzlife@AZLIFE, Crissy Oestreich/allianzlife@AZLIFE, Todd Petit/allianzlife@AZLIFE, Lisa Schaub/allianzlife@AZLIFE, Wes Hatlestad/allianzlife@AZLIFE, Sara Ose/allianzlife@AZLIFE, Sandy Manos/allianzlife@AZLIFE, Jack Ponsford/allianzlife@AZLIFE

Subject: Confidential Approval of VA Generation Protector

# GOOD NEWS!! We have received the following product approval:

#### General Information:

Product: Generation Protector

State: Virginia

Approval Date: 10/22/2003

Does Approval Include Advertising: Yes

Total Approvals to Date: 44



Submission & Approval Chart.c

#### Corporate Marketing Communications:

Personal Worksheet: WS1-VA (suitability required)



VA Personal Worksheet compare.c

Potential Rate Increase Disclosure: PRD-VA



VA Potential Rate Increase Disclosure compare Outline:





VA 10-OC-Q-VA.do 10-OC-Q-VA Compare.di

Things You Should Know ...: generic

Important Notice...: generic Replacement Form: generic

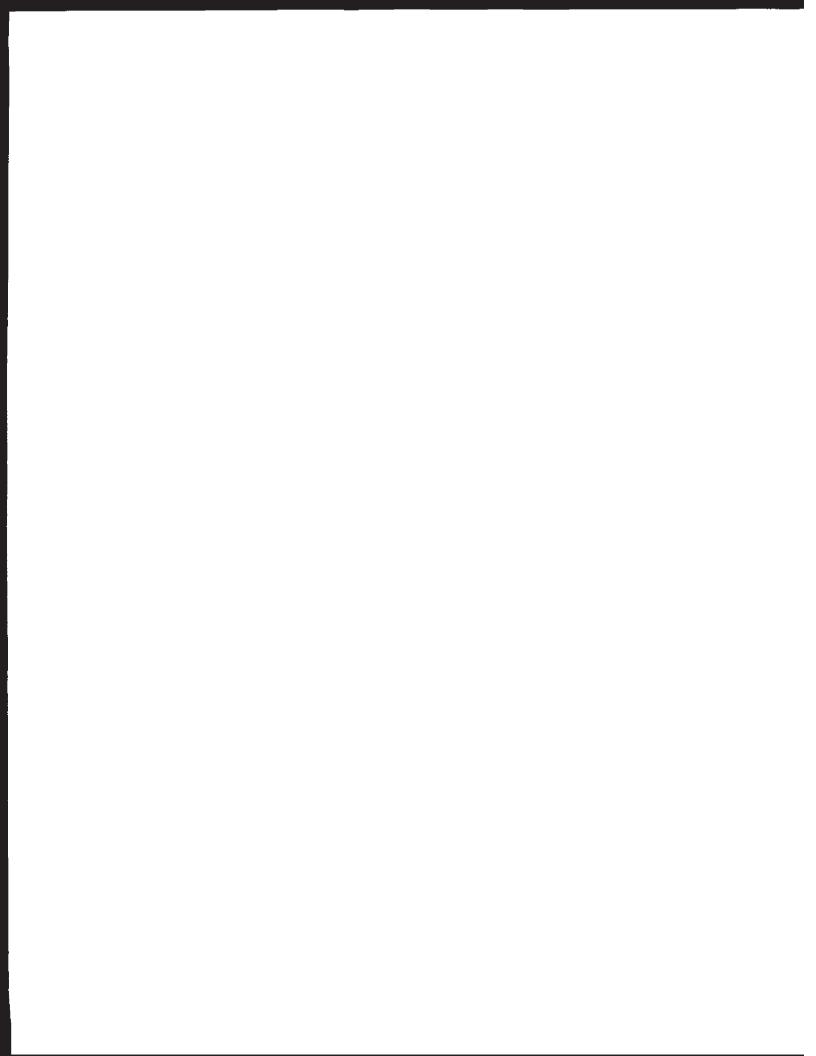
Add'l State Specific App. Packet Forms: None

#### Marketing:

Illustration: state-specific



VA Illustration compare.dc Brochure Insert: No



#### State Variations:



VA-guide.doc

#### **Automation:**



VA 10-P-Q-VA.doc

Policy Schedule: generic

Riders and Endorsements: generic, except for Accelerated Premium Rider (10-R7-VA), Shortened Benefit Rider (10-R8-VA), and Contingent Benefit Upon Lapse Endorsement (10-E-1-VA).

#### Misc. Notes of Interest:

None.

Once you have implemented your piece of this approval, if applicable, please "reply all" indicating such (e.g. app. packet has been created, routed, and received final sign-off; software is complete; ID3 is ready to accommodate indicated state variations; policy and riders are in policy assembly; etc...). If you have any questions, please contact me at X32804.



# Long Term Care Insurance

# **VIRGINIA**

# **Generation Protector**

#### **REQUIREMENTS FOR VIRGINIA**

All advertisements must be submitted to Compliance for review and approval. Advertisements (that are not "agent only") are required to be submitted to insurance departments by Compliance for approval before they are used.

- Complaint Notice NB 3020N must be included in policy assembly.
- There is a state-specific personal worksheet (WS1-VA). The 45-day notice of premium increase was replaced with 60 days.
- There is a state-specific potential rate increase disclosure (PRD-VA). The 45-day notice of premium increase was replaced with 60 days.
- The tax disclosure language on the face page of the policy and outline was revised to read as follows: "This Contract is intended to qualify for favorable tax treatment. As such, it must meet certain federal standards, in addition to all applicable standards in the state in which this Contract was issued or issued for delivery. If you have any questions regarding the tax qualifications of this Contract, you should direct such questions to the appropriate federal agency, or you should contact your tax advisor."
- The "Renewal Conditions" provision on the face page of the policy, and the "Terms Under Which the Company May Change Premiums" provision in the outline, was revised to indicate that we will notify the insured at least 60 days, rather than 45 days, before their premium changes.
- The "Check Your Application" provision on the face page of the policy, and the "Caution" provision on the face page of the outline, was revised to delete the 30-day timeframe in which the insured must notify us of incorrect responses.
- The "Licensed Health Care Practitioner" definition in the policy and outline was revised to delete the following language: "Neither the Licensed Health Care Practitioner nor any Immediate Family Member of the Licensed Health Care Practitioner can be an owner or in any way control the operation of a Nursing Facility in which you receive care or treatment unless authorized by the Company."
- The "Maintenance or Personal Care Services" definition in the policy and outline was revised to read as follows: "Services provided primarily to give needed assistance to you as a result of your being Chronically Ill. 'Personal care' means the provision of hands-on services (Substantial Assistance) to assist you with the Activities of Daily Living. 'Maintenance' means continual supervision (Substantial Supervision) to protect you from threats to health or safety due to a Severe Cognitive Impairment."
- The "Substantial Assistance" definition in the policy and outline was revised to read as follows:
   "Hands-on assistance without which you would not be able to safely and completely perform the ADL.
   Hands-on assistance means the physical assistance (minimal, moderate, maximal) of another person."

Last Updated: 10/23/03 9:29 AM



- The first bullet under the "Reinstatement due to Chronic Illness" provision under the Policy Administration section in the policy was expanded to include that proof of chronic illness must be certified by a Licensed Health Care Practitioner.
- The following "Payor of Last Resort" provision was added to the policy under the Claim Procedures section: "The Department of Medical Assistance will be the Payor or Last Resort."
- The order of the outline of coverage was revised.
- Section 3. Other insurance information in the application was revised to move the following statement, along with its own response blocks, to the "Agent's Statement": "Agent must list all health insurance including long term care policies sold to the applicant(s) which: are still in force; and were sold in the last five years but are no longer in force."
- The "Medical History Part I" section of the application was revised to delete the following sentence:
   If any questions in Part I of the Medical History are answered "Yes," you are not eligible for coverage."
- The signature page of the application was revised to add the following: "The undersigned proposed insured(s) and agent certify that the proposed insured(s) has read, or that the agent has read to the proposed insured(s), the completed application and realizes that any false statement or misrepresentation in this application may result in the loss of coverage under the policy."
- The Accelerated Premium Rider was revised to indicate that the company will notify the insured at least 60 days, rather than 45 days, before the insured's premium changes.
- The Shortened Benefit Rider was revised to add the following to the "Maximum Shortened Benefit Period Amount" definition: "The Maximum Shortened Benefit Period Amount may be adjusted subsequent to being initially granted only as necessary to reflect changes in claims, persistency, and interest as reflected in changes in rates for premium paying contracts approved by the Commissioner of Insurance for the same contract form."
- The Contingent Benefit Upon Lapse Endorsement was revised to add the following to the "Contingent Benefit Upon Lapse" provision: "Benefits paid by the insurer while the policy is in premium paying status and in paid-up status will not exceed the maximum benefits which would be payable if the policy had remained in premium paying status."



#### FORMS APPROVED

| Form #           | Description of Form                                      | Approval Date |
|------------------|--|---------------|
| 10-P-Q-VA        | QUALIFIED POLICY   | 10/22/03      |
| 10-PS-Q          | QUALIFIED POLICY SCHEDULE PAGE                           | 10/22/03      |
| 10.10 4          | QCADA IND TODIC I GOTTED OLD TAKE                        | 10/22/03      |
| 10-OC-Q-VA       | QUALIFIED OUTLINE OF COVERAGE                            | 10/22/03      |
| 10-A-VA          | APPLICATION  | 10/22/03      |
| 10-R1            | 3% LIFETIME COMPOUND BENEFIT INCREASE RIDER              | 10/22/03      |
| 10-R2            | 4% LIFETIME COMPOUND BENEFIT INCREASE RIDER              | 10/22/03      |
| 10-R3            | 5% LIFETIME COMPOUND BENEFIT INCREASE RIDER              | 10/22/03      |
| 10-R4            | TWO TIMES COMPOUND BENEFIT INCREASE RIDER                | 10/22/03      |
| 10-R5            | SIMPLE BENEFIT INCREASE RIDER                            | 10/22/03      |
| 10-R6            | LIMITED PAY RIDER  | 10/22/03      |
| 10-R7-VA         | ACCELERATED PREMIUM RIDER                                | 10/22/03      |
| 10-R8-VA         | SHORTENED BENEFIT RIDER                                  | 10/22/03      |
| 10-R9            | CALENDAR DAY ELIMINATION PERIOD RIDER                    | 10/22/03      |
| 10-R10           | HOME & COMMUNITY CARE MONTHLY BENEFIT RIDER              | 10/22/03      |
| 10-R11           | WAIVER OF HOME & COMMUNITY CARE ELIMINATION PERIOD RIDER | 10/22/03      |
| 10-R12           | HOME & COMMUNITY CARE MONTHLY INDEMNITY BENEFIT RIDER    | 10/22/03      |
| 10-R13           | COMPREHENSIVE MONTHLY INDEMNITY BENEFIT RIDER            | 10/22/03      |
| 10-R14           | RETURN OF PREMIUM UPON DEATH RIDER                       | 10/22/03      |
| 10-R15           | FULL RETURN OF PREMIUM UPON DEATH RIDER                  | 10/22/03      |
| 10-R16           | RESTORATION OF BENEFITS RIDER                            | 10/22/03      |
| 10-R17           | MARRIED DISCOUNT RIDER                                   | 10/22/03      |
| 10-R18           | SPOUSAL DISCOUNT RIDER                                   | 10/22/03      |
| 10-R19           | SPOUSAL SHARED CARE RIDER                                | 10/22/03      |
| 10-R20           | SPOUSAL WAIVER OF PREMIUM RIDER                          | 10/22/03      |
| 10-R21           | SPOUSAL SURVIVORSHIP RIDER                               | 10/22/03      |
| 10-E-1-VA        | CONTINGENT BENEFIT UPON LAPSE ENDORSEMENT                | 10/22/03      |
| 10-E-2           | FACILITY CARE ONLY POLICY ENDORSEMENT                    | 10/22/03      |
| 10-E-3           | INTERNATIONAL COVERAGE BENEFIT ENDORSEMENT               | 10/22/03      |
| 10-CB            | CONSUMER BROCHURE  | 07/10/03      |
| 10-CR            | CAMERA READY ADVERTISING                                 | 07/10/03      |
| 10-M1 & 10-M1(A) | CONSUMER MAILER  | 09/12/03      |





July 7, 2003

Bureau of Insurance Life & Health Division Forms and Rates Section PO Box 1157 Richmond, VA 23218



RE:

Allianz Life Insurance Company of North America / NAIC #90611

FEIN #41-1366075

Advertising Material for use with Long Term Care Insurance Policy 10-P-Q-VA, et al Submitted: May 21, 2003; Submission #: 007 0000020897

10-CB

Consumer Brochure

10-CR

Camera Ready Advertising Piece

The above referenced long term care advertising materials are being submitted for your review and approval. These forms are new and do not supersede any previously filed forms.

Form 10-CB is a consumer brochure. Form 10-CR is a camera-ready advertising piece. Please note, the marketing name of the product is Generation Protector.

To the best of our knowledge and belief, the above forms conform to all State Insurance Statutes, Regulations and Department requirements.

Please use the enclosed copies to acknowledge approval. Do not hesitate to call me with any questions you may have at 800-328-5601, extension 32804. Thank you for your consideration.

Sincerely,

Tammy Smasal

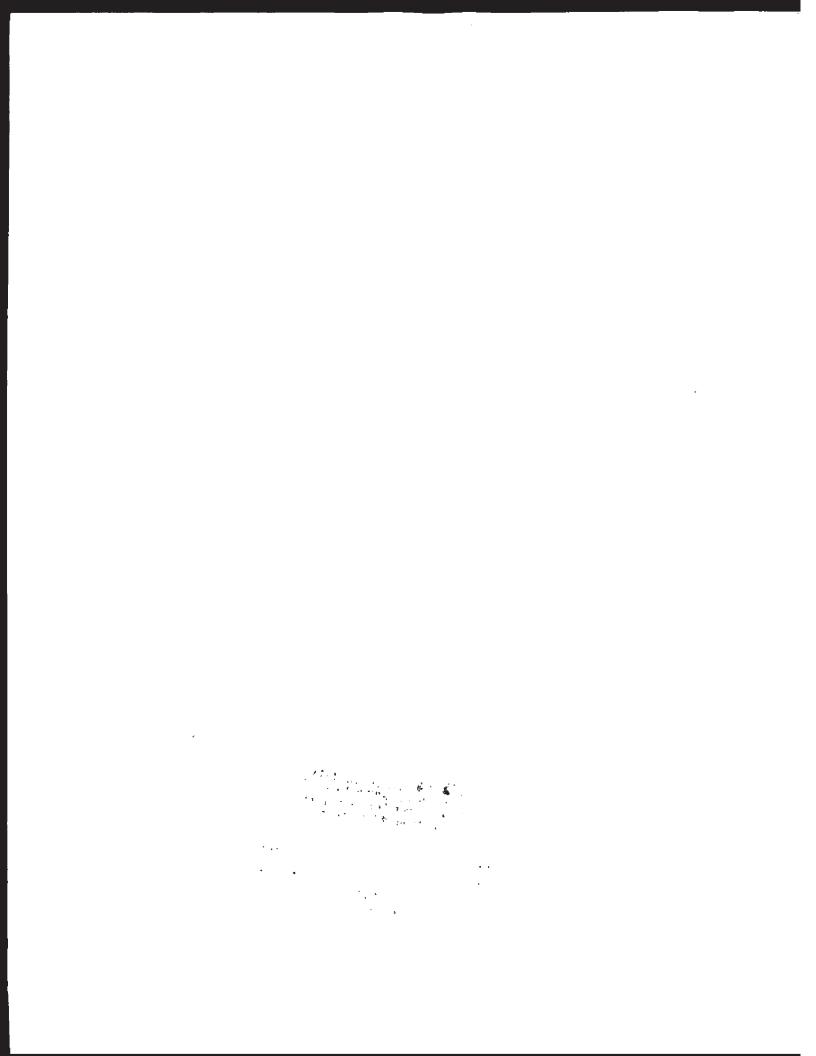
Sr. Compliance Analyst

Product/Forms Filing Compliance

E-mail: tammy smasal@allianzlife.com

Fax: 763/582-6495

Bureau of Insurance





P.O. BOX 1157 **RICHMOND, VIRGINIA 23218** TELEPHONE: (804) 371-9741 TDD/VOICE: (804) 371-9206 http://www.state.va.us/scc

October 28, 2003

ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA **5701 GOLDEN HILLS DRIVE** MINNEAPOLIS, MN 55416-1297

Attn: TAMMY SMASAL

ALFRED W. GROSS

SENIOR COMPLIANCE ANALYST

RE: YOUR SUBMISSION DATED AUGUST 21, 2003

> Submission No: 007 0000020897 Form No: 10-P-Q-VA, ET AL.

Dear Ms. Smasal:

As indicated in our letter dated 09/30/03, we referred the rate filings for the forms mentioned above to another examiner to continue his review of the rate matters. We have completed our review and the premiums are deemed reasonable in relation to the benefits.

The above captioned forms have been approved for use in the Commonwealth of Virginia effective 10/22/03. Should you have any further questions, please let us know.

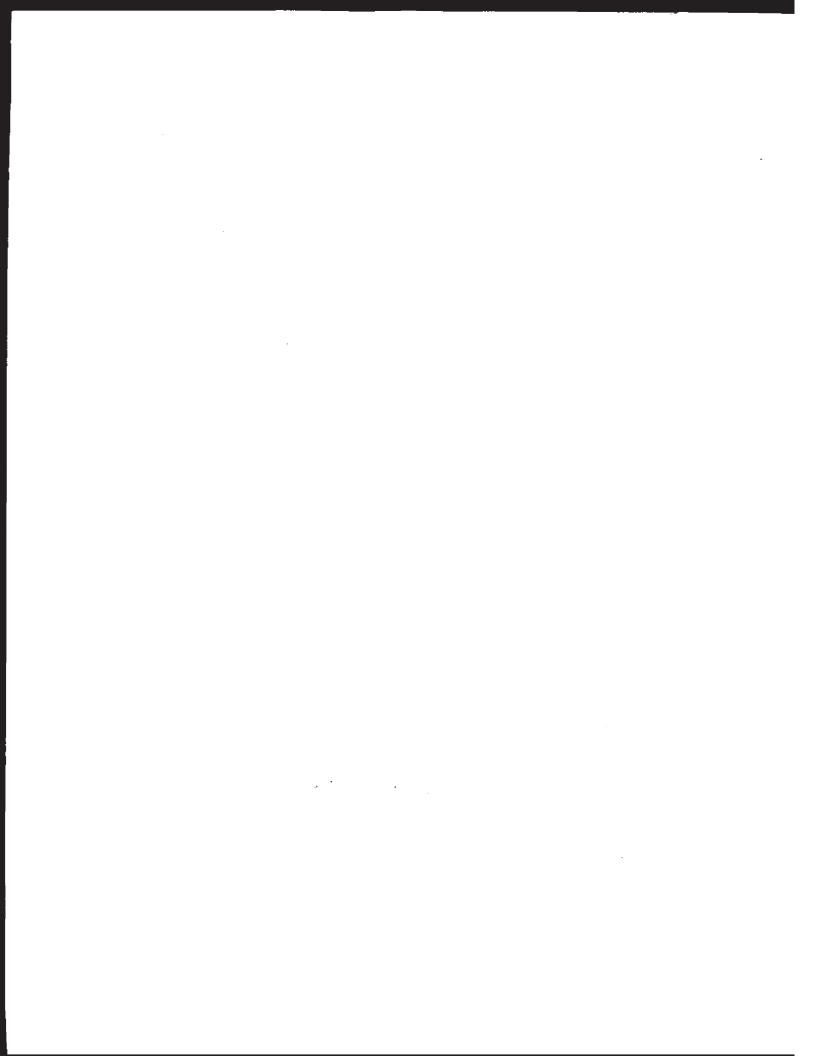
Please refer to the Submission Number noted above when corresponding with us, and verify that your company's NAIC number is displayed prominently on all correspondence.

Elsia a. andy

Sincerely,

Elsie B. Andy

Insurance Market Examiner Forms and Rates Section Life and Health Division Telephone No. (804) 371-9072





August 21, 2003

Mr. Robert Grissom, Sr. Insurance Market Examiner Bureau of Insurance Life & Health Division Forms and Rates Section PO Box 1157 Richmond, VA 23218

RE: Allianz Life Insurance Company of North America/NAIC #90611

Our Submission Dated May 21, 2003

Submission No: 7/20897

Dear Mr. Grissom:

In response to your correspondence dated July 18, 2003, your concerns are restated and addressed below in the order they were presented.

Pursuant to 14 VAC 5-200-77 B 2 b, please provide an explanation for supporting subdivision 2 a of this subsection, including a description of the margin for moderately adverse experience that is included in the premium rates; and a description of the testing of pricing assumptions that was done to support the conclusion that the filed premium rates are sustainable over the life of the form.

In accordance with 14 VAC 5-200-77 B 2 b, the actuarial memorandum has been revised to add a subsection K. under Section X. Actuarial Assumptions. This subsection lists the tests performed for moderately adverse conditions. Premium rates which would apply without the margin for moderately adverse experience would be 8% lower than the premium rates shown in the attachments.

Pursuant to 14 VAC 5-200-77 B 2 e, please provide a complete description of the basis for contract reserves that are anticipated to be held under the form. This should include sufficient detail or sample calculations provided so as to have a complete description of the reserve amounts to be held.

In accordance with 14 VAC 5-200-77 B 2 e, the actuarial memorandum has been revised to add an Attachment 5 and Exhibits 1 and 2. Attachment 5 provides a description of the basis for contract reserves, and Exhibits 1 and 2 provide sample calculations. In addition, Section X.G of the actuarial memorandum has been revised to incorporate language with respect to the attachment and exhibits.

Pursuant to 14 VAC 5-200-77 B 2 f, please provide a statement that the premium rate schedule is not less than the premium rate schedule for existing similar policy forms also available from the insurer except for reasonable differences attributable to benefits. If this can't be provided, please provide a comparison of the premium rate schedules that are currently available with an explanation of the differences.

Please refer to the Actuarial Certification (Section XII) in the actuarial memorandum. The statement that you reference above appears as #7.



Pursuant to 14 VAC 5-200-77 B 3, please be sure that the actuarial memorandum includes a description of the basis on which the long term care insurance premium rates were determined; a description of the basis for the reserves; a summary of the types of policy benefits, renewability, general marketing method, and limits on ages of issuance; a description and a table of each actuarial assumption used. For expenses, please include a percentage of premium dollars per policy and dollars per unit of benefits, if any. Please also include a description and a table of the anticipated policy reserves and additional reserves to be held in each future year for active lives; the estimated average annual premium per policy, and the average issue age; a statement that includes a description of the types of underwriting used, such as medical underwriting or functional assessment underwriting.

After reviewing all of the items listed above, the actuarial memorandum has been revised to add a subsection L. under Section X. Actuarial Assumptions. This subsection discusses the basis on which premium rates were determined. All of the other points are in the memorandum or have been addressed in your first two concerns above. Please feel free to call me if you need more information with respect to any of the items in the memorandum.

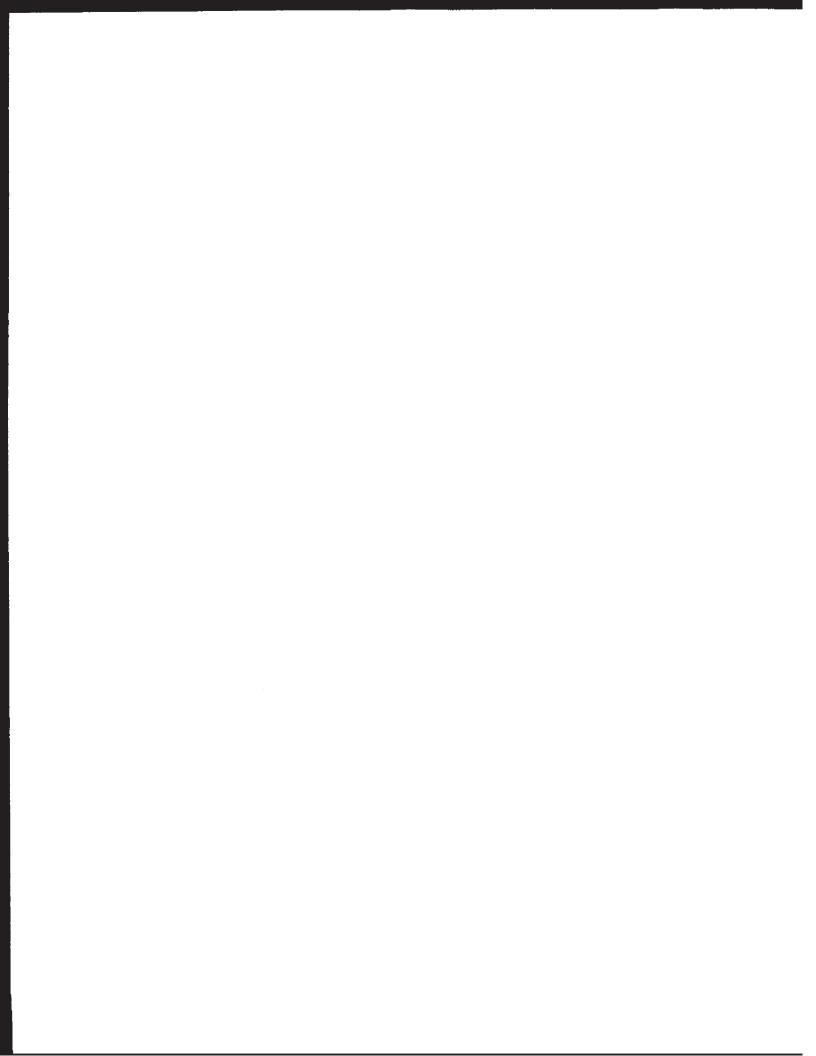
Please use the enclosed copies to acknowledge approval. Do not hesitate to call me with any questions you may have at 800-328-5601, extension 36179. Thank you for your consideration.

Sincerely,

Martin Kline, F.S.A., M.A.A.A.

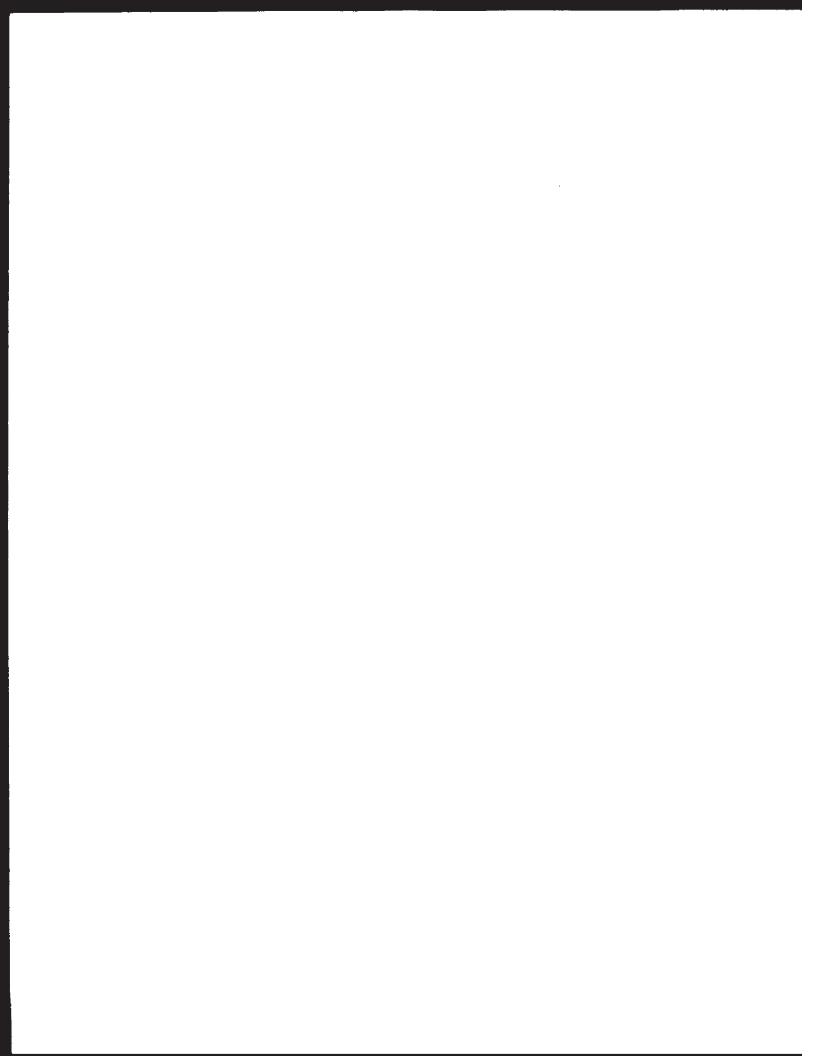
Assistant Actuary

E-mail: martin\_kline@allianzlife.com



# Response to VA 4 points

- 1) The tests performed for moderately adverse conditions are listed in section X.K of the actuarial memorandum. Premium rates which would apply without the margin for moderately adverse experience would be 8% lower than the premium rates shown in the attachments.
- 2) A description of the basis for contract reserves is provided in Attachment 5 and sample calculations are provided in Exhibits 1 and 2. Section X.G of the actuarial memorandum has been modified to incorporate these attachments and exhibits.
- 3) The statement that the premium rate schedule is not less than the premium rate schedule for existing similar policy forms also available from the insurer except for reasonable differences attributable to benefits is provided in the certification of the actuarial memorandum.
- 4) After reviewing all of the items listed in point 4, section X.L has been added. Section X.L discuses the basis on which premium rates were determined. All of the other points were in the memorandum or have been addressed in points 1 and 2. Please feel free to call me if you need more information about any of the items in the memorandum.



**Tammy Smasal** 

08/20/2003 11:31 AM

To: Crissy Oestreich/allianzlife@AZLIFE

cc: Greg Spaeth/allianzlife@AZLIFE, Karen Moessner/allianzlife@AZLIFE, Sue Kumpula/allianzlife@AZLIFE, Heidi Boll/allianzlife@AZLIFE, Kelly Bioglor/allianzlife@AZLIFE, Kris Horstman/allianzlife@AZLIFE, Kelly

Biegler/allianzlife@AZLIFE, Kris Horstman/allianzlife@AZLIFE

Subject: Urgent - Green Job Request - VA

This email is to notify you of the following job request.

Product Name: Generation Protector

State: VA

Form Number: 10-A-VA

#### Requested Changes:

Revise Section 3. Other insurance information to move "Agent must list..." paragraph to "Agent's statement" along with its own response blocks. I will bring a mocked-up copy of the application down to you.

Reason: Objection received from DOI

Request Type: Green

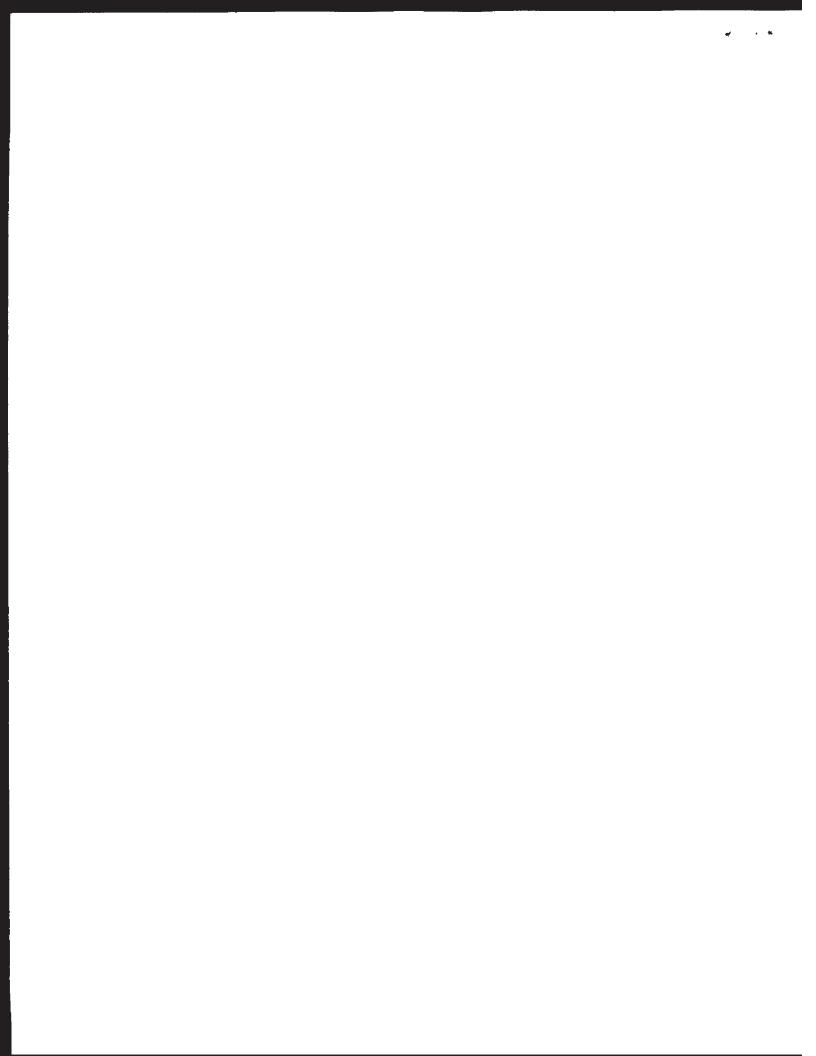
#### Request Key:

Green = Variation must be created, no alternative is possible.

Yodaw = Variation must be created - however an alternative may be possible. (ie insert etc) Meeting is necessary to discuss alternatives. If no response is received within 24 hours, this request will be considered Green.

Red = Variation necessary - additional communication necessary, destruction of supply may be necessary. A meeting is necessary to discuss rollout plan. CMC will NOT proceed until further direction is given.

Additional Comments: None



COMMONWEALTH OF VIRGINIA COMMISSIONER OF INSURANCE STATE CORPORATION COMMISSION

P.O. BOX 1157 **RICHMOND, VIRGINIA 23218** TELEPHONE: (804) 371-9741 TDD/VOICE: (804) 371-9206 http://www.state.va.us/scc

July 18, 2003

Allianz Life Insurance Company Of North America 1750 Hennepin Avenue Minneapolis, MN 55403

Attn: Tammy Smasal

ALFRED W. GROSS

BUREAU OF INSURANCE

Compliance Analyst

Re:

Your Submission Dated May 21, 2003

Submission No: 7/20897

Dear Ms. Smasal:

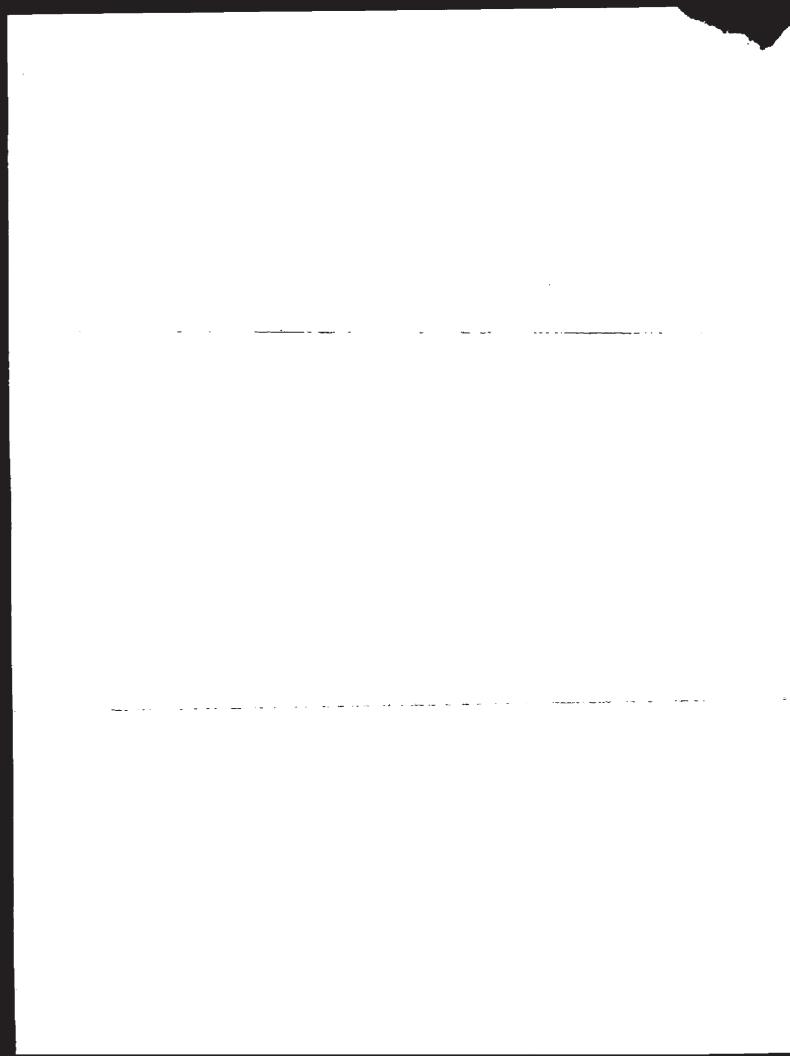
I am responding to the submitted rates in the above referenced submission. Elsie Andy of this Section has previously responded to the form concerns. The rates were reviewed under the new rating methodology in Virginia's long term care regulation. This was done based on a review of the submitted actuarial memorandum.

A review of the submitted actuarial memorandum indicates that they it will need to be modified as indicated below.

Pursuant to 14 VAC 5-200-77 B 2 b, please provide an explanation for supporting subdivision 2 a of this subsection, including a description of the margin for moderately adverse experience that is included in the premium rates; and a description of the testing of pricing assumptions that was done to support the conclusion that the filed premium rates are sustainable over the life of the form.

Pursuant to 14 VAC 5-200-77 B 2 e, please provide a complete description of the basis for contract reserves that are anticipated to be held under the form. This should include sufficient detail or sample calculations provided so as to have a complete depiction of the reserve amounts to be held.

Pursuant to 14 VAC 5-200-77 B 2 f, please provide a statement that the premium rate schedule is not less than the premium rate schedule for existing similar policy forms also available from the insurer except for reasonable differences attributable to benefits. If this can't be provided, please provide a comparison of the premium rate schedules for similar policy forms that are currently available with an explanation of the differences.



Allianz Life Insurance Company Of North America July 18, 2003 Page 2

Pursuant to 14 VAC 5-200-77 B 3, please be sure that the actuarial memorandum includes a description of the basis on which the long-term care insurance premium rates were determined; a description of the basis for the reserves; a summary of the type of policy benefits, renewability, general marketing method, and limits on ages of issuance; a description and a table of each actuarial assumption used. For expenses, please include a percentage of premium dollars per policy and dollars per unit of benefits, if any. Please also include a description and a table of the anticipated policy reserves and additional reserves to be held in each future year for active lives; the estimated average annual premium per policy, and the average issue age; a statement that includes a description of the types of underwriting used, such as medical underwriting or functional assessment underwriting.

Please feel free to provide a revised actuarial memorandum by email.

When corresponding with us concerning this submission, please refer to the Submission Number noted above. Please also verify that your company's NAIC number is displayed prominently on all correspondence. Thank you for your courtesy and consideration in this matter.

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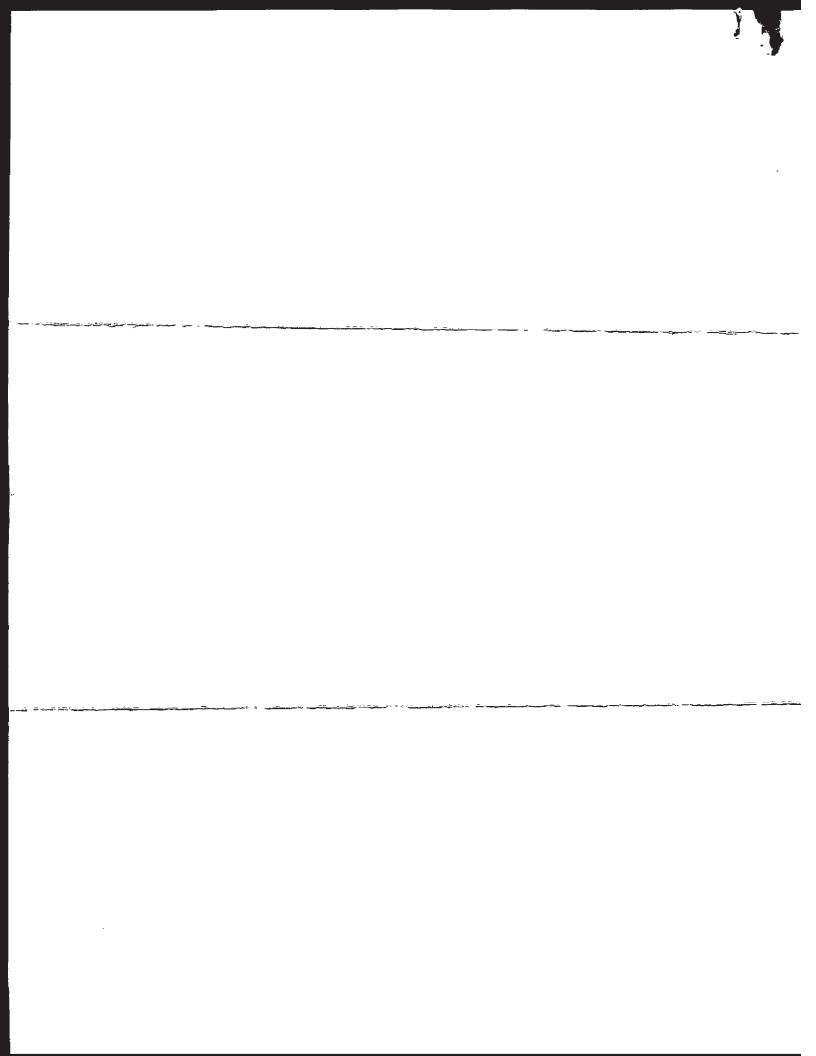
Yours\_Truf

Robert F. Grissom Senior Insurance Market Examiner

Forms and Rates Section Life and Health Division

Telephone No. (804) 371-9152

bgrissom@scc.state.va.us



rec'd 8/11/03 Sim

COMMONWEALTH OF VIRGINIA

ALFRED W. GROSS COMMISSIONER OF INSURANCE STATE CORPORATION COMMISSION BUREAU OF INSURANCE

P.O. BOX 1157 RICHMOND, VIRGINIA 23218 TELEPHONE: (804) 371-9741 TDD/VOICE: (804) 371-9206 http://www.state.va.us/scc

August 6, 2003

ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA 1750 HENNEPIN AVENUE MINNEAPOLIS, MN 55403

Attn: TAMMY SMASAL

COMPLIANCE ANALYST

RE: YOUR SUBMISSION DATED JULY 7, 2003

Submission No: 007 0000021131

Form No: 10-CB, 10-CR

Dear Ms. Smasal:

The above captioned advertising material was received in our office and filed with the Commission on 07/10/03.

Since it is the company's responsibility to ensure that advertising complies with rules and regulations applicable in Virginia, we have not reviewed this filing for approval or disapproval.

We are returning to you one copy stamped, "FILED FOR INFORMATION ONLY".

Yours Truly,

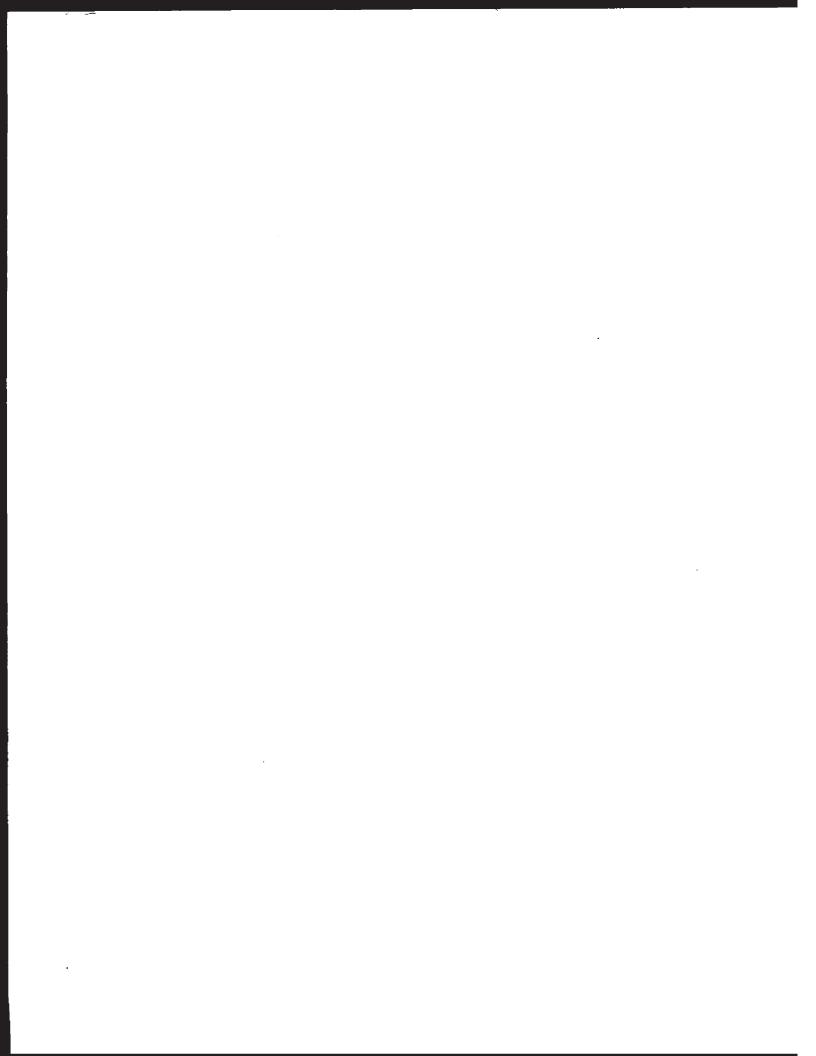
Mary Ann Mason, FLMI, AIE

many annasor

Senior Insurance Market Examiner

Forms and Rates Section

Life and Health Division





July 7, 2003

Bureau of Insurance Life & Health Division Forms and Rates Section PO Box 1157 Richmond, VA 23218

RE:

Allianz Life Insurance Company of North America / NAIC #90611

FEIN #41-1366075

Advertising Material for use with Long Term Care Insurance Policy 10-P-Q-VA, et al

Submitted: May 21, 2003; Submission #: 007 0000020897

10-CB

**Consumer Brochure** 

10-CR

Camera Ready Advertising Piece

The above referenced long term care advertising materials are being submitted for your review and approval. These forms are new and do not supersede any previously filed forms.

Form 10-CB is a consumer brochure. Form 10-CR is a camera-ready advertising piece. Please note, the marketing name of the product is Generation Protector.

To the best of our knowledge and belief, the above forms conform to all State Insurance Statutes, Regulations and Department requirements.

Please use the enclosed copies to acknowledge approval. Do not hesitate to call me with any questions you may have at 800-328-5601, extension 32804. Thank you for your consideration.

Sincerely,

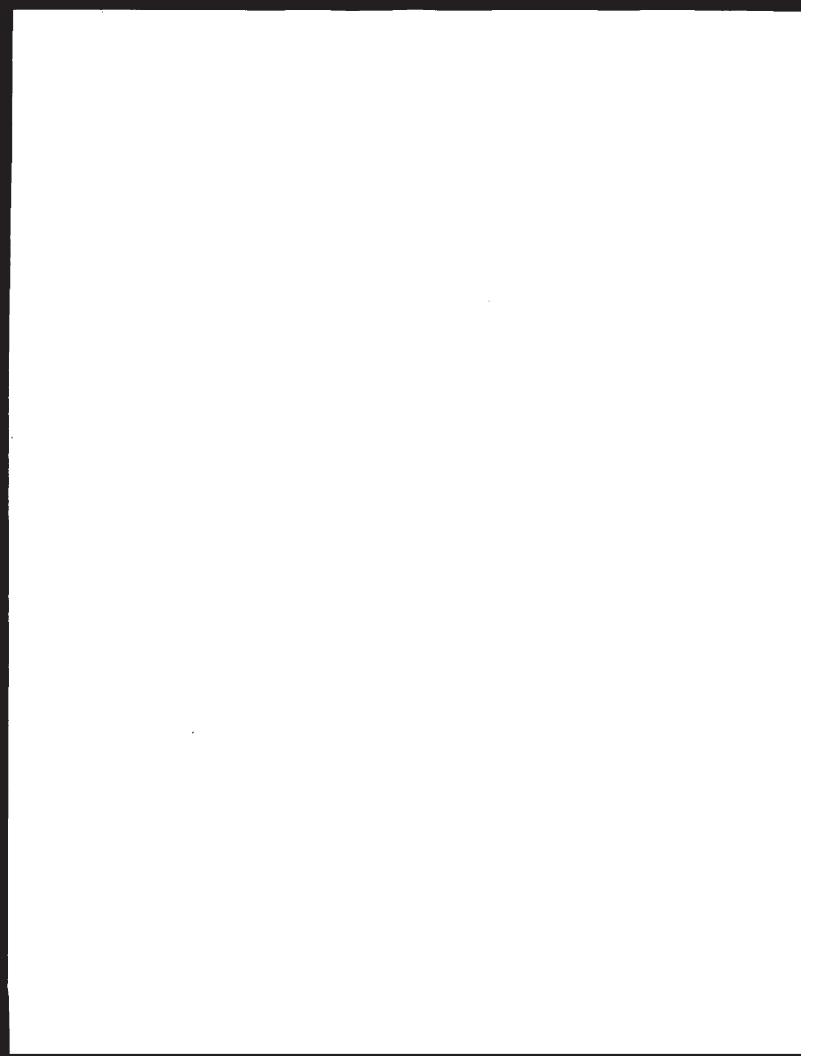
**Tammy Smasal** 

Sr. Compliance Analyst

Product/Forms Filing Compliance

E-mail: tammy smasal@allianzlife.com

Fax: 763/582-6495



COMMONWEALTH OF VIRGINIA COMMISSIONER OF INSURANCE STATE CORPORATION COMMISSION

P.O. BOX 1157 RICHMOND, VIRGINIA 23218 TELEPHONE: (804) 371-9741 TDD/VOICE: (804) 371-9206 http://www.state.va.us/scc

September 30, 2003

ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA 5701 GOLDEN HILLS DRIVE MINNEAPOLIS, MN 55416-1297

Attn: TAMMY SMASAL

ALFRED W. GROSS

BUREAU OF INSURANCE

SENIOR COMPLIANCE ANALYST

RE: YOUR SUBMISSION DATED AUGUST 21, 2003

> Submission No: 007 0000020897 Form Nos.: 10-P-Q-VA, et al.

Dear Ms. Smasal:

Thank you for the resubmission of the forms mentioned above.

The revisions made to the forms have resolved our previous concerns. As you are aware, the submission cannot be approved until the rates matters have been resolved. We received additional information concerning the rates matters from Mr. Martin Kline. We have forwarded this information to Mr. Robert Grissom to continue his review. We will keep you apprised of any development regarding this review.

Should you need clarification of any of the information contained in this letter, please contact the undersigned. When corresponding with us concerning this submission, please refer to the Submission Number noted above. Please also verify that your company's NAIC number is displayed prominently on all correspondence.

Thank you for your courtesy and consideration in this matter.

Sincerely,

Elsie B. Andy

Insurance Market Examiner Forms and Rates Section Life and Health Division

Elsie B. andy



P.O. BOX 1157 **RICHMOND, VIRGINIA 23218** TELEPHONE: (804) 371-9741 TDD/VOICE: (804) 371-9206 http://www.state.va.us/scc

September 25, 2003

ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA 5701 GOLDEN HILLS DRIVE MINNEAPOLIS, MN 55416-1297

Attn: TAMMY SMASAL

ALFRED W. GROSS

SENIOR COMPLIANCE ANALYST

YOUR SUBMISSION DATED AUGUST 21, 2003 RE:

Submission No: 007 0000020897

Form No: 10-P-Q-VA, et al.

Dear Ms. Smasal:

In accordance with § 38.2-316 E of the Code of Virginia, the review period applicable to the above submission is extended for an additional thirty (30) days from 09/25/03.

If you have any questions concerning this action, please contact the undersigned. Written correspondence relating to this submission should include the submission number noted above as well as the company's NAIC number.

Thank you for your courtesy and consideration in this matter.

Sincerely,

Elsie B. Andy

Insurance Market Examiner Forms and Rates Section Life and Health Division

Elsie B. Undy



August 22, 2003

Ms. Elsie Andy, Insurance Market Examiner Bureau of Insurance Life & Health Division Forms and Rates Section PO Box 1157 Richmond, VA 23218

RE:

Allianz Life Insurance Company of North America/NAT

Our Submission Dated July 7, 2003 Submission No: 007 0000020897 Form Nos: 10-P-Q-VA, et al



Dear Ms. Andy:

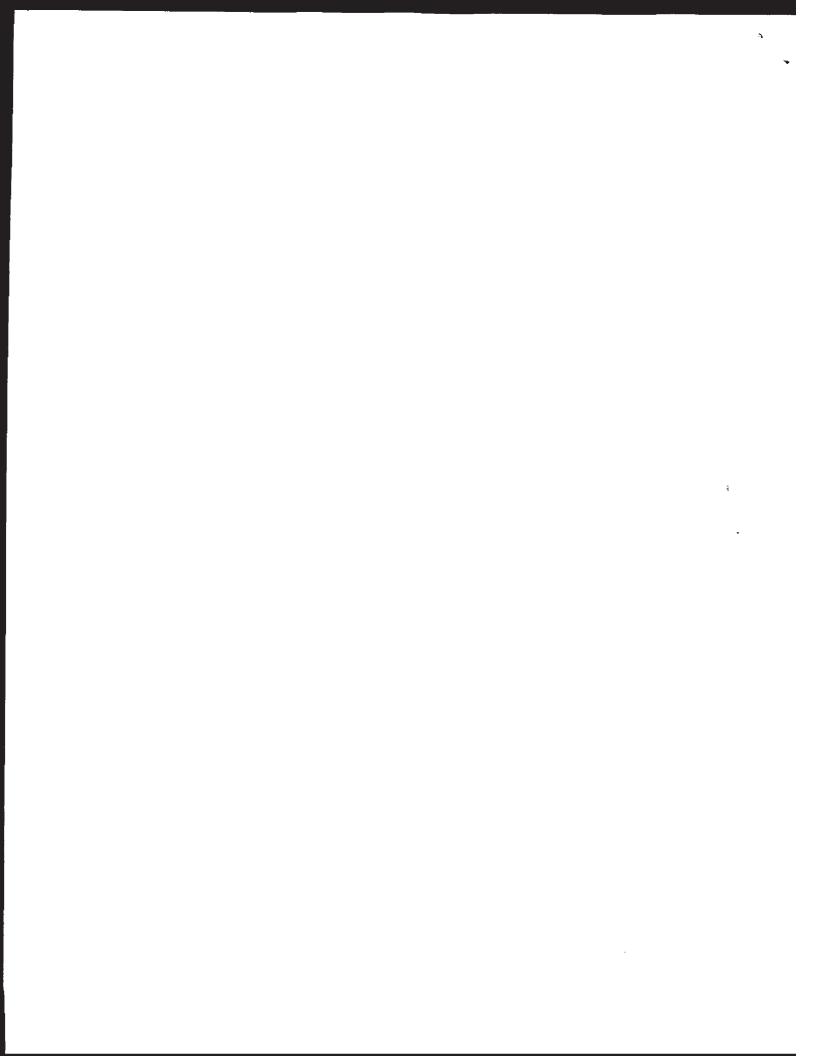
In response to your correspondence dated August 8, 2003, your concerns are restated and addressed below in the order they were presented.

...As such, we are requesting that the term "personal care" be defined for conformity with 14 VAC 5-200-50. As a suggestion, our objection would be resolved if the definition of "maintenance or personal care services" were expanded to include that personal care means the provision of hands-on services to assist an individual with activities of daily living.

In accordance with 14 VAC 5-200-50, the "Maintenance or Personal Care Services" definition in the policy has been revised to read as follows: "Services provided primarily to give needed assistance to you as a result of your being Chronically Ill. 'Personal care' means the provision of hands-on services (Substantial Assistance) to assist you with the Activities of Daily Living. 'Maintenance' means continual supervision (Substantial Supervision) to protect you from threats to health or safety due to a Severe Cognitive Impairment." The outline of coverage has been revised in this same manner. Duplicate copies of the revised policy and outline are enclosed.

...Question 1 should be expanded to conform with the requirements of Subdivisions A 2 a and A 2 b of 14 VAC 5-200-110. As a follow-up to my telephone conversations today with Sandy Manos of your office, in order for the response blocks appearing as part of the agent's statements to satisfy the regulatory requirements of both 14 VAC 5-200-110 A and 14 VAC 5-200-110 B, language would have to be added differentiating the applicant's responses from the agent's responses.

In accordance with 14 VAC 5-200-110 B, the following statement, "Agent must list all health insurance including long term care policies sold to the applicant(s) which: are still in force; and were sold in the last five years but are no longer in force," which previously appeared under Section 3. Other insurance information has been moved to the "Agent's statement" on the last page of the application, along with its own response blocks. Duplicate copies of the revised application are enclosed.



To the best of our knowledge and belief, the above forms conform to all State Insurance Statutes, Regulations and Department requirements.

Please use the enclosed copies to acknowledge approval. Do not hesitate to call me with any questions you may have at 800-328-5601, extension 32804. Thank you for your consideration.

Sincerely,

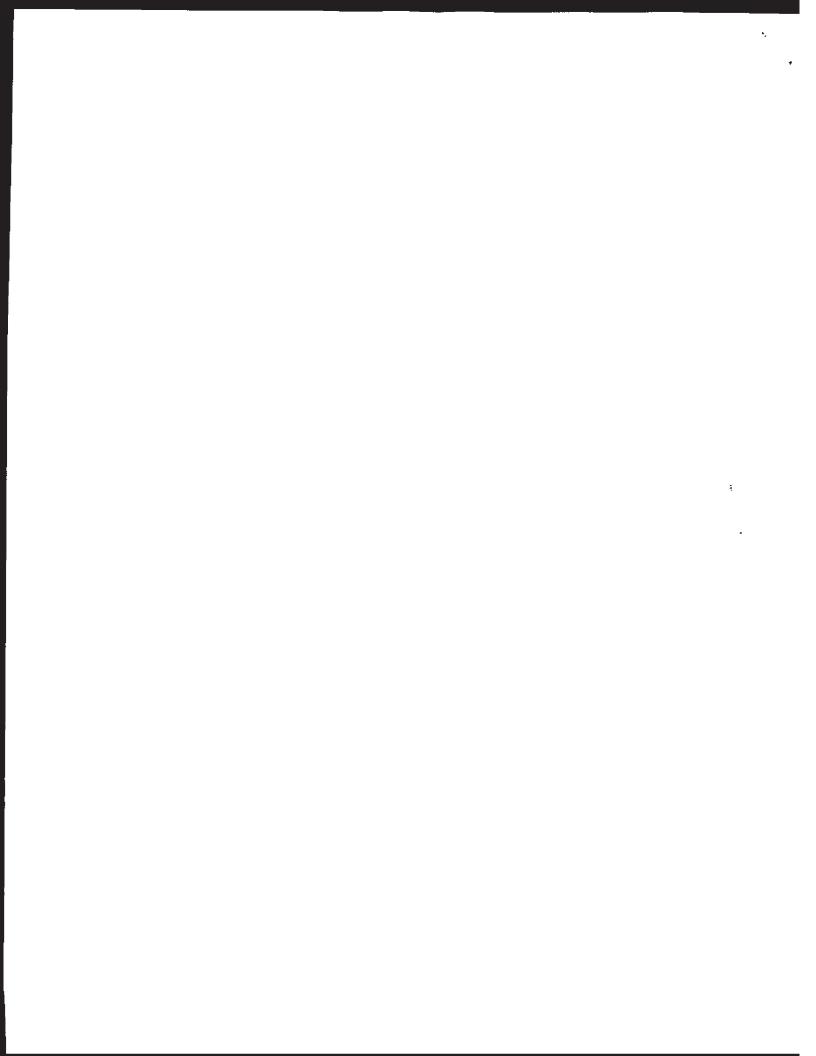
Johny Sharal
Tammy Smasal

Sr. Compliance Analyst

Product/Forms Filing Compliance

E-mail: tammy\_smasal@allianzlife.com

Fax:763/582-6495



COMMONWEALTH OF VIRGINIA

ALFRED W. GROSS COMMISSIONER OF INSURANCE STATE CORPORATION COMMISSION BUREAU OF INSURANCE

RICHMOND, VIRGINIA 23218 TELEPHONE: (804) 371-9741 TDD/VOICE: (804) 371-9206 http://www.state.va.us/scc

P.O. BOX 1157

August 8, 2003

ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA 5701 GOLDEN HILLS DRIVE MINNEAPOLIS, MN 55416-1297

Attn: TAMMY SMASAL

SENIOR COMPLIANCE ANALYST

RE: YOUR SUBMISSION DATED July 7, 2003

Submission No: 007 0000020897 Form Nos.: 10-P-Q-VA, et al.

Dear Ms. Smasal:

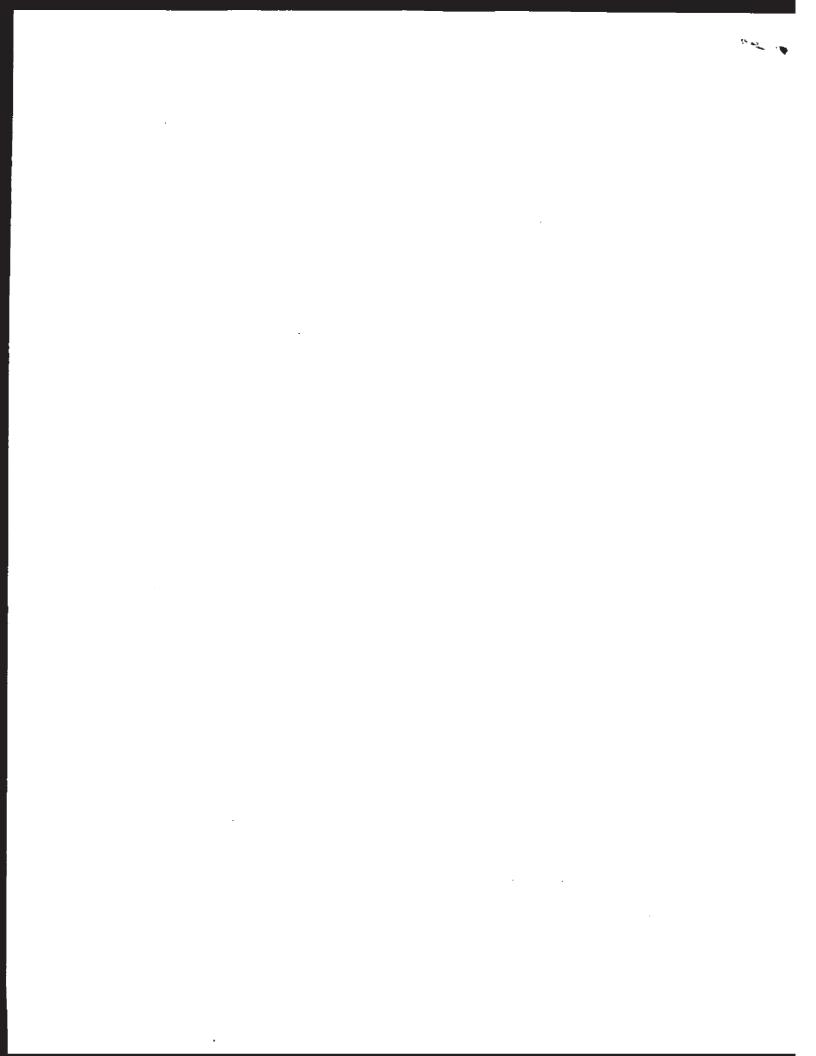
The above submission, received in this office on 07/11/03, is DISAPPROVED and may not be used in the Commonwealth of Virginia.

One or more forms included within the submission were found to be in non-conformity with statutory, regulatory or administrative requirements as set forth below.

Thank you for the resubmission of the forms mentioned above. The revisions to the forms have resolved most of the previous objections but we have two remaining concerns.

We noted your comment regarding the term "maintenance or personal care services"; however, our objection remains. The term "personal care" is introduced by and integral to the term "maintenance or personal care services". As such we are requesting that the term "personal care" be defined for conformity with 14 VAC 5-200-50. As a suggestion, our objection would be resolved if the definition of "maintenance or personal care services" were expanded to include that personal care means the provision of hands-on services to assist an individual with activities of daily living.

Thank you for the clarification regarding the placement of the agent's statements as required by 14 VAC 5-200-110 B. The resolution of our prior concern results in a new concern regarding the first question appearing in Section 3 as it relates to the existence of another long-term care policy in the last 12 months. Question 1 should be expanded to conform with the requirements of Subdivisions A 2 a and A 2 b of 14 VAC 5-200-110. As a follow-up to my telephone conversations today with Sandy Manos of your office, in order for the response blocks appearing as part of the agent's statements



ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA August 8, 2003 Page 2

to satisfy the regulatory requirements of both 14 VAC 5-200-110 A and 14 VAC 5-200-110 B, language would have to be added differentiating the applicant's responses from the agent's responses.

We shall be glad to reconsider this submission upon receipt of revised forms to correct the objections noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

When corresponding with us concerning this submission, please refer to the Submission Number noted above. Please also verify that your company's NAIC number is displayed prominently on all correspondence.

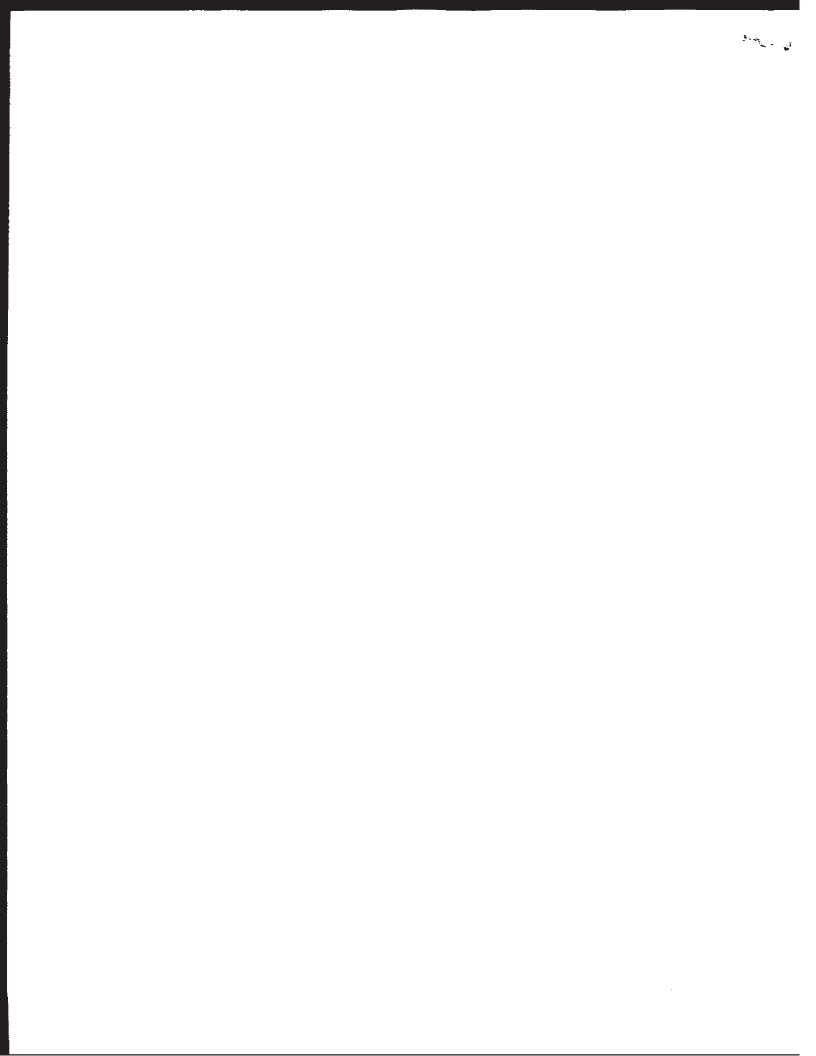
Thank you for your courtesy and consideration in this matter.

Sincerely,

Elsie B. Andy

Insurance Market Examiner Forms and Rates Section Life and Health Division

Elsie B. andy





Ortho & e.

July 7, 2003

DISAPPROVED

Commonwealth Of Virginia State Corporation Commission Buresu Of Insurance

Ms. Elsie Andy, Insurance Market Examiner

Bureau of Insurance

Life & Health Division

Forms and Rates Section

PO Box 1157

Richmond, VA 23218

For Receous Sin

In Attached Let

RE:

Our Submission Dated May 21, 2003

Submission No: 007 0000020897

Form Nos: 10-P-Q-VA, et al

Dear Ms. Andy:

In response to your correspondence dated June 20, 2003, your concerns are restated and addressed below in the order they were presented.

The following three comments apply to form 10-P-Q-VA.

The caution statement appearing on the first page of the policy should more closely mirror the language set forth in 14 VAC 5-200-80 C 2. Specifically, the notice should not set a 30-day time frame in which the insured should contact the company in the event that responses in the application are incorrect.

In accordance with 14 VAC 5-200-80 C 2, the "Check Your Application" provision on the face page of the policy has been revised to delete the 30-day time frame in which the applicant must notify the company of incorrect responses. The "Caution" provision on the face page of the outline of coverage has also been revised in this same manner. Duplicate copies of the revised policy and outline are enclosed.

The definition of hands-on assistance appearing within the definition of Substantial Assistance should more closely mirror the language set forth in 14 VAC 5-200-50.

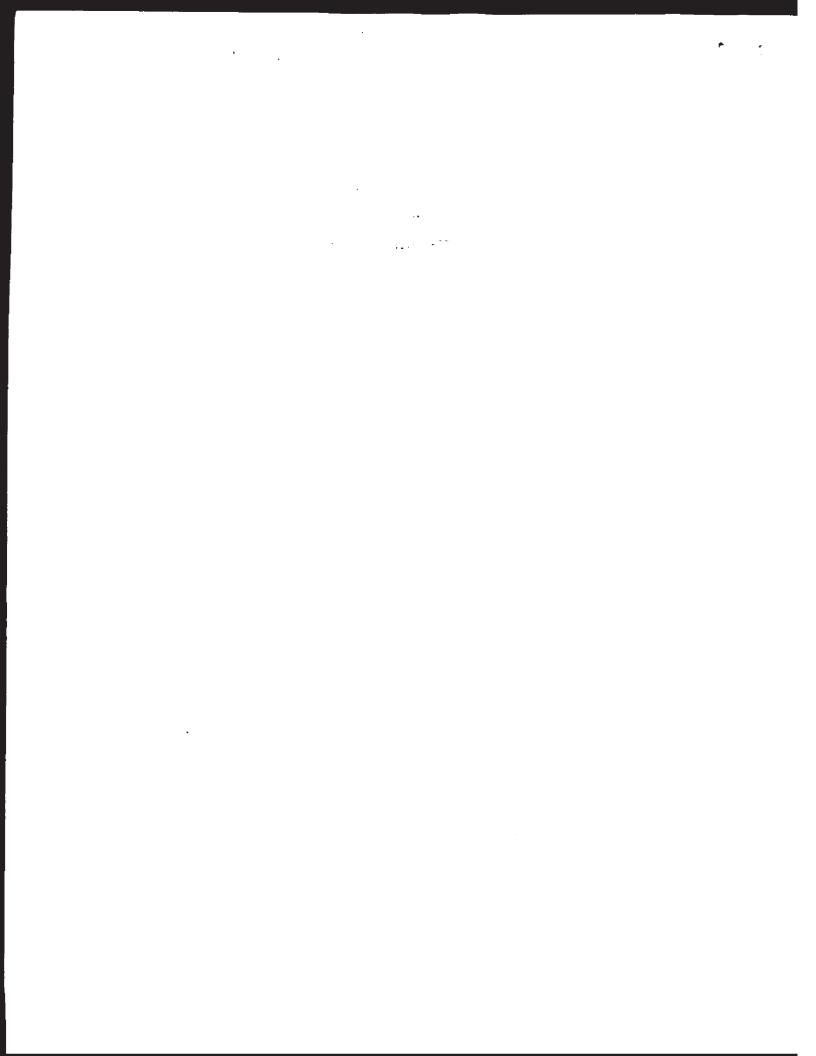
In accordance with 14 VAC 5-200-50, the "Substantial Assistance" definition in the policy and outline of coverage has been revised to read as follows: "Hands-on assistance without which you would not be able to safely and completely perform the ADL. Hands-on assistance means the physical assistance (minimal, moderate, maximal) of another person." Duplicate copies of the revised policy and outline are enclosed.

The policy used the term personal care services. As such, the policy should define the term personal care consistent with the language set forth in 14 VAC 5-200-50.

The policy actually uses the term "Maintenance or Personal Care Services," which is a defined term.

...Please note that the text and the sequence of the text of the standard format for the outline of coverage are mandatory, unless otherwise specifically indicated. Please review the outline of coverage for regulatory conformity.

The outline of coverage has been revised to be consistent with the policy, as noted above. In addition, the sequence of the text has been revised in accordance with 14 VAC 5-200-200. Duplicate copies of the revised outline are enclosed.



The riders state that they are effective on the effective date of the policy. Please advise if the insured has the option to purchase riders after the effective date of the policy.

If an insured wishes to purchase additional riders, a new policy would have to be applied for, meaning a new application would have to be completed, which would require full underwriting, and then, if eligible, a new policy with a new issue age would be issued.

Please advise where the premium for the riders is expressed pursuant to 14 VAC 5-200-70 B.

In accordance with 14 VAC 5-200-70, please refer to the Policy Schedule (page 3, form 10-PS-Q). The premium charge associated with any elected riders will be set forth in the "Cost of Rider" section.

Form 10-R7 should state that the company will notify the insured in writing at least 60 days before changes in premium are effective pursuant to 14 VAC 5-200-75 E.

The Accelerated Premium Rider has been revised to indicate that the company will notify the insured at least 60 days, rather than 45 days, before the insured's premium changes. As a result of this revision, the form number of the rider has been revised to reflect a state-specific form (10-R7-VA). Duplicate copies of the revised rider are enclosed.

Pertaining to form 10-R8, 14 VAC 5-200-185 K 2 is applicable to qualified long term care insurance policies with level premiums. As such, the rider should state that the amount of the benefit may be adjusted subsequent to being initially granted only as necessary to reflect changes in claims, persistency, and interest as reflected in changes in rates for premium paying contracts approved by the commission for the same contract form. If the policy is not a level premium contract, please advise.

The Shortened Benefit Rider has been revised to add the following to the "Maximum Shortened Benefit Period Amount" definition: "The Maximum Shortened Benefit Period Amount may be adjusted subsequent to being initially granted only as necessary to reflect changes in claims, persistency, and interest as reflected in changes in rates for premium paying contracts approved by the Commissioner of Insurance for the same contract form." As a result of this revision, the form number of the rider has been revised to reflect a state-specific form (10-R8-VA). Duplicate copies of the revised rider are enclosed.

Form 10-E-1-VA should state that all benefits paid by the insurer while the policy is in premium paying status and in the paid up status will not exceed the maximum benefits which would be payable if the policy had remained in the premium paying status.

The Contingent Benefit Upon Lapse Endorsement has been revised to add the following to the "Contingent Benefit Upon Lapse" provision: "Benefits paid by the insurer while the policy is in premium paying status and in paid-up status will not exceed the maximum benefits which would be payable if the policy had remained in premium paying status." Duplicate copies of the revised endorsement are enclosed.

Your readability certification does not contain the number of words, syllable, and sentences as required by 14 VAC 5-110-60. Please include this information in your resubmission.

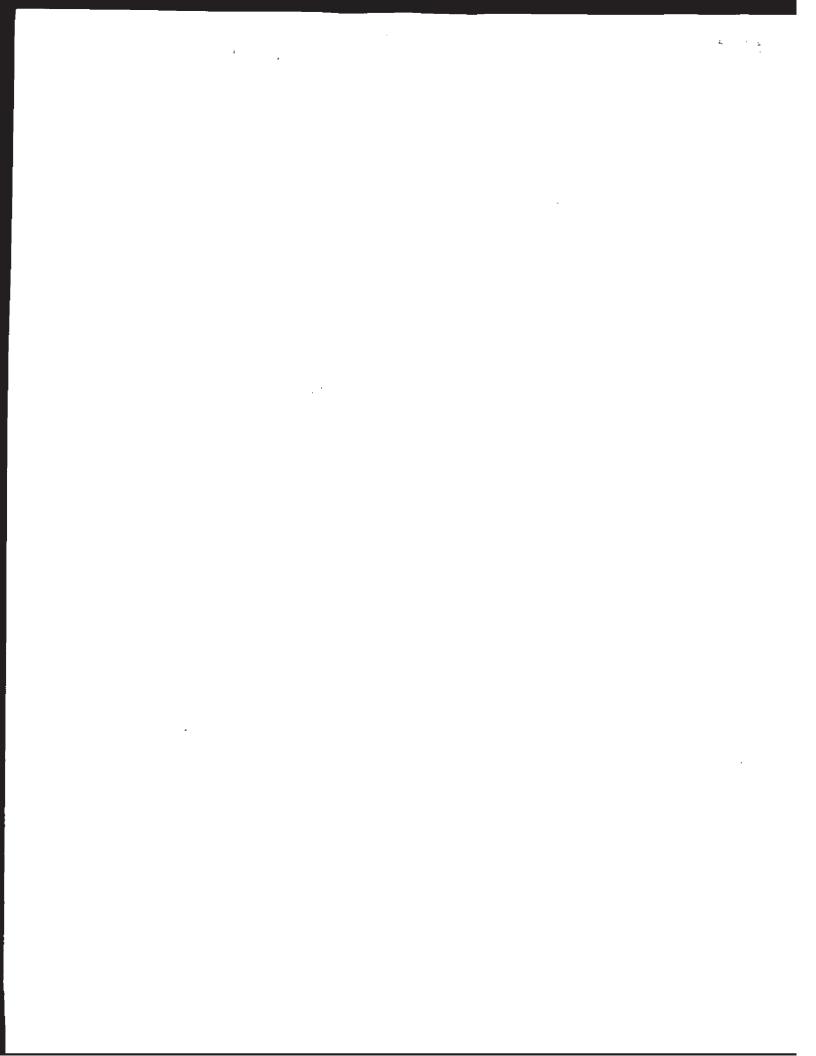
In accordance with 14 VAC 5-110-60, enclosed are duplicate copies of a readability certification that includes the number of words, syllables, and sentences.

Form WS1-VA should contain the direction (Check One) following the first question appearing in the Questions Related to Your Income section for conformity with 14 VAC 5-200-175 C 2.

In accordance with 14 VAC 5-200-175 C 2, the "Questions Related to Your Income" section of the personal worksheet has been revised to add the direction "Check One" to the first question. Duplicate copies of the revised personal worksheet are enclosed.

... Even though the form (PRD-VA) is neither approved nor disapproved, it should be consistent with regulatory requirements set forth in 14 VAC 5-200-75 D.

Form PRD-VA is consistent with the regulatory requirements set forth in 14 VAC 5-200-75 D.



The following to comments apply to form 10-A-VA.

The first question appearing in the Other insurance information section asks the applicant if he/she had another disability income policy in force in the last 12 months. Please advise how this question applies to a long term care insurance application.

This question appears in order to determine whether our policy will replace another disability income policy, or whether our policy would be duplicative to another disability income policy. Since disability income benefits may be similar to long term care benefits, we would want to know whether we are replacing or duplicating similar coverage.

The application should include statements with respect to the agent as required by 14 VAC 5-200-110 B.

In accordance with 14 VAC 5-200-110 B, please refer to Section 3. Other insurance information of the application (form 10-A-VA). Under question #4 appears the following language: "Agent must list all health insurance including long term care policies sold to the applicant(s) which: are still in force; and were sold in the last five years but are no longer in force."

...Forms filed for informational purposes (advertising materials) should be submitted separately from forms for which formal approval is sought. Upon the receipt of proper filing, we will acknowledge the submission under a separate submission number.

As required, the advertising materials will be submitted under separate cover.

To the best of our knowledge and belief, the above forms conform to all State Insurance Statutes, Regulations and Department requirements.

Please use the enclosed copies to acknowledge approval. Do not hesitate to call me with any questions you may have at 800-328-5601, extension 32804. Thank you for your consideration.

Sincerely,

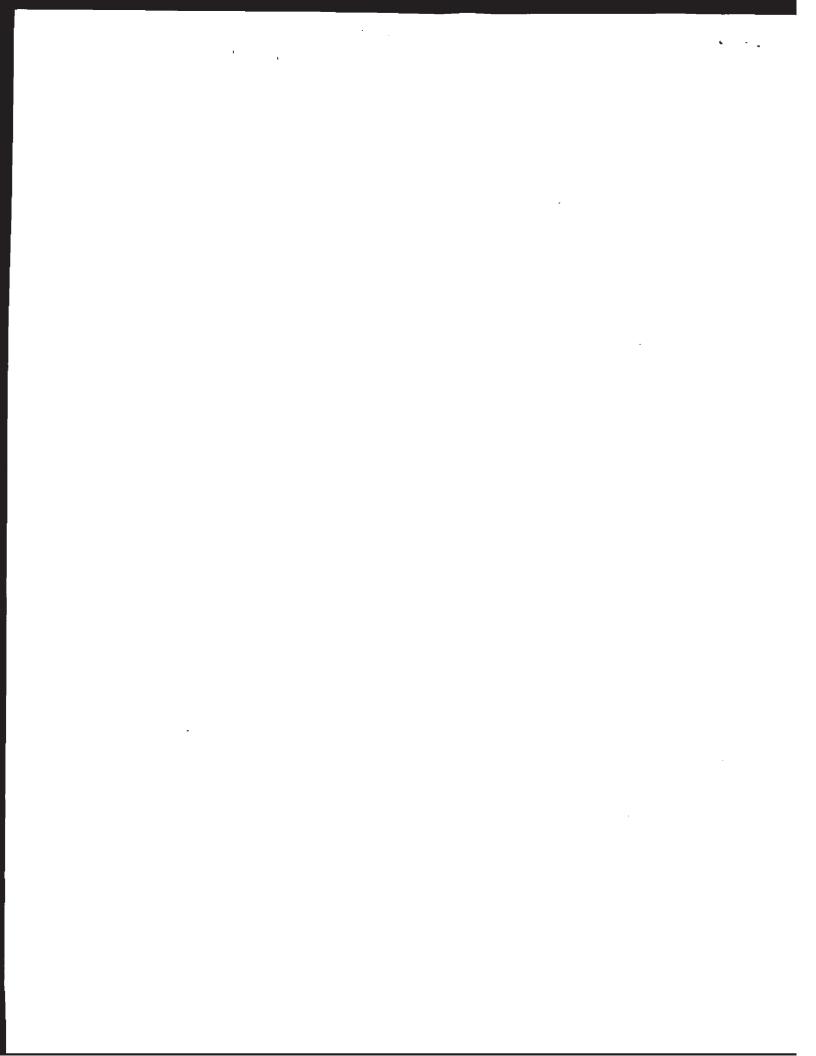
Tammy Smasal

Sr. Compliance Analyst

Product/Forms Filing Compliance

E-mail: tammy smasal@allianzlife.com

Fax:763/582-6495



## FORMS FILING COVER SHEET

### POLICY FORMS FILED FOR USE AS QUALIFIED TAX STATUS

| 10-P-Q-VA<br>10-PS-Q<br>10-OC-Q-VA   | Long Term Care Insurance Policy<br>Long Term Care Insurance Policy Schedule Page<br>Outline of Coverage for Long Term Care Insurance Policy   |
|--|---|
| 10-R1 10-R2 10-R3 10-R4 10-R5 10-R6 10-R7-VA 10-R8-VA 10-R9 10-R10 10-R11 10-R12 10-R13 10-R14 10-R15 10-R16 10-R17 10-R18 10-R19 10-R20 | 3% Lifetime Compound Benefit Increase Rider 4% Lifetime Compound Benefit Increase Rider 5% Lifetime Compound Benefit Increase Rider Two Times Compound Benefit Increase Rider Simple Benefit Increase Rider Limited Pay Rider Accelerated Premium Rider Shortened Benefit Rider Calendar Day Elimination Period Rider Home & Community Care Monthly Benefit Rider Waiver of Home & Community Care Elimination Period Rider Home & Community Care Monthly Indemnity Benefit Rider Comprehensive Monthly Indemnity Benefit Rider Return of Premium Upon Death Rider Full Return of Premium Upon Death Rider Restoration of Benefits Rider Married Discount Rider Spousal Discount Rider Spousal Shared Care Rider Spousal Waiver of Premium Rider |
| 10-R21   | Spousal Survivorship Rider  |
| 10-E-1-VA<br>10-E-2<br>10-E-3  | Contingent Benefit Upon Lapse Endorsement<br>Facility Care Only Policy Endorsement<br>International Coverage Benefit Endorsement  |
| 10-A-VA  | Application for Long Term Care Insurance  |

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Allianz Life Insurance Company of North America 5701 Golden Hills Drive Minneapolis, MN 55416-1297 800-328-5601

#### CERTIFICATE OF READABILITY

| POLICY FORM | FLESCH SCORE | Number of: WORDS | SYLLABLES | SENTENCES |
|-------------|--------------|------------------|-----------|-----------|
| 10-P-Q-VA   | 50           | 8740             | 14,519    | 373       |
| 10-OC-Q-VA  | 50           | 6865             | 11,460    | 287       |
| 10-R1       | 69           | 1363             | 2038      | 60        |
| 10-R2       | 70           | 1378             | 2053      | 61        |
| 10-R3       | 69           | 1362             | 2035      | 61        |
| 10-R4       | 68           | 1415             | 2124      | 63        |
| 10-R5       | 72           | 1307             | 1911      | 62        |
| 10-R6       | 81           | 1187             | 1644      | 56        |
| 10-R7-VA    | 77           | 1268             | 1797      | 59        |
| 10-R8-VA    | 75           | 1286             | 1835      | 59        |
| 10-R9       | 78           | 1165             | 1647      | 53        |
| 10-R10      | 82           | 1095             | 1516      | 55        |
| 10-R11      | 74           | 1305             | 1881      | 59        |
| 10-R12      | 77           | 1284             | 1842      | 66        |
| 10-R13      | 77           | 1259             | 1821      | 66        |
| 10-R14      | 80           | 1161             | 1615      | 57        |
| 10-R15      | 79           | 1143             | 1613      | 58        |
| 10-R16      | 78           | 1131             | 1615      | 56        |
| 10-R17      | 82           | 1181             | 1610      | 55        |
| 10-R18      | 81           | 1222             | 1668      | 57        |
| 10-R19      | 75           | 1422             | 2029      | 66        |
| 10-R20      | 79           | 1265             | 1782      | 57        |
| 10-R21      | 79           | 1204             | 1696      | 53        |
| 10-E-1-VA   | 68           | 1612             | 2411      | 69        |
| 10-E-2      | 75           | 1238             | 1806      | 61        |
| 10-E-3      | 50           | 1670             | 2840      | 79        |
| 10-A-VA     | 50           | 2207             | 4044      | 330       |

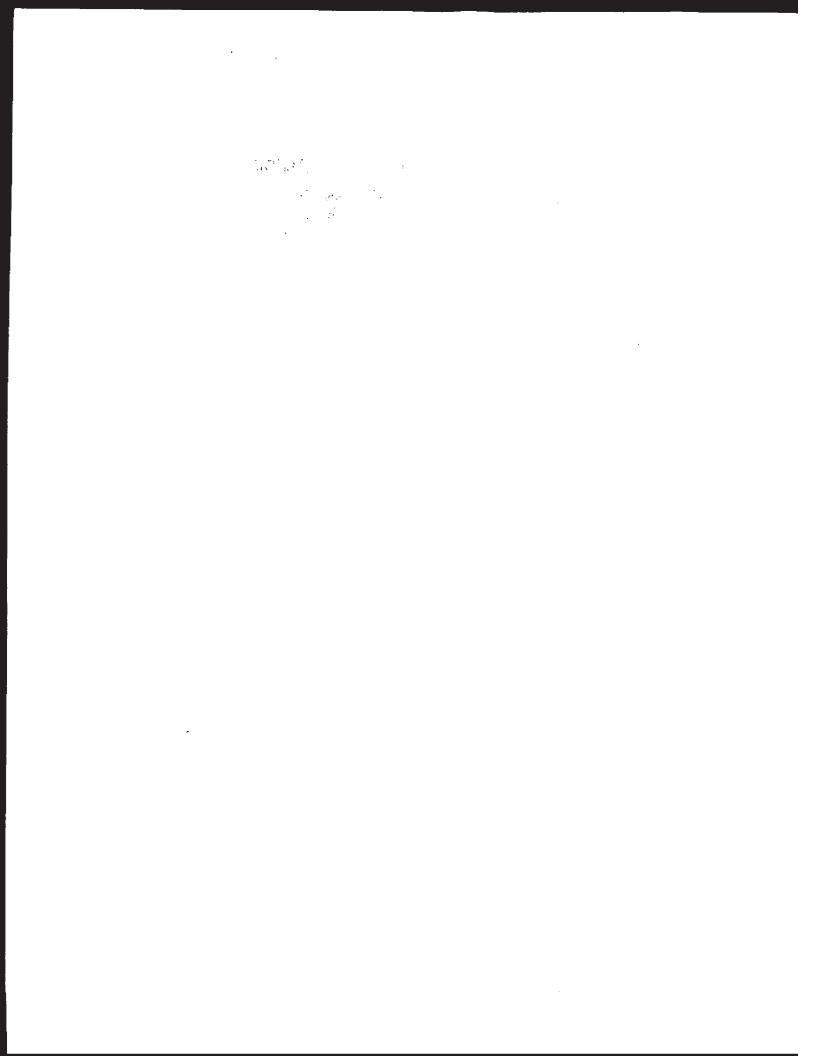
It is hereby certified that each policy form listed above meets the minimum reading ease requirements for the state of Virginia.

The Flesch score was calculated using the text of the entire form. ("Text" is as defined by state regulations).

Each form, in my judgment, is readable and complies with all applicable state rules and regulations as to size of print, format and arrangement.

Date: July 8, 2003

Suzanne Pepin
Senior Vice President, Secretary and
Chief Legal Counsel





**Dorothy Ellerbroek** 

07/07/2003 11:48 AM

To: Tammy Smasal/allianzlife@AZLIFE

cc:

Subject: Re: VA GenPro

It would have to be a new policy, ;with new issue age, and a new application w/full underwriting. IF the request for addl coverage is within 60 days, we will more likely use same medical information, and repeat minimal requirements (amend for a statement of good health may be sufficient in some cases). Dorothy Ellerbroek

Tammy Smasal

**Tammy Smasal** 

To: Dorothy Ellerbroek/allianzlife@AZLIFE

07/07/2003 11:27 AM

Subject: Re: VA GenPro

cc:

Thanks for the quick response. Just one more question: With respect to adding riders after the effective date of the policy, would the issue age be the same as the "old" policy? Or would the "new" policy have a new issue age? Let me know. Thanks, Tammy

Dorothy Ellerbroek



Dorothy Ellerbroek

To: Tammy Smasal/allianzlife@AZLIFE

07/07/2003 11:22 AM

Subject: Re: VA GenPro

You are correct in your understanding on both those questions.

Dorothy Ellerbroek

Tammy Smasal

**Tammy Smasal** 

To: Dorothy Ellerbroek/allianzlife@AZLIFE

07/07/2003 10:33 AM

cc: Cherrie Freeman/allianzlife@AZLIFE

Subject: VA GenPro

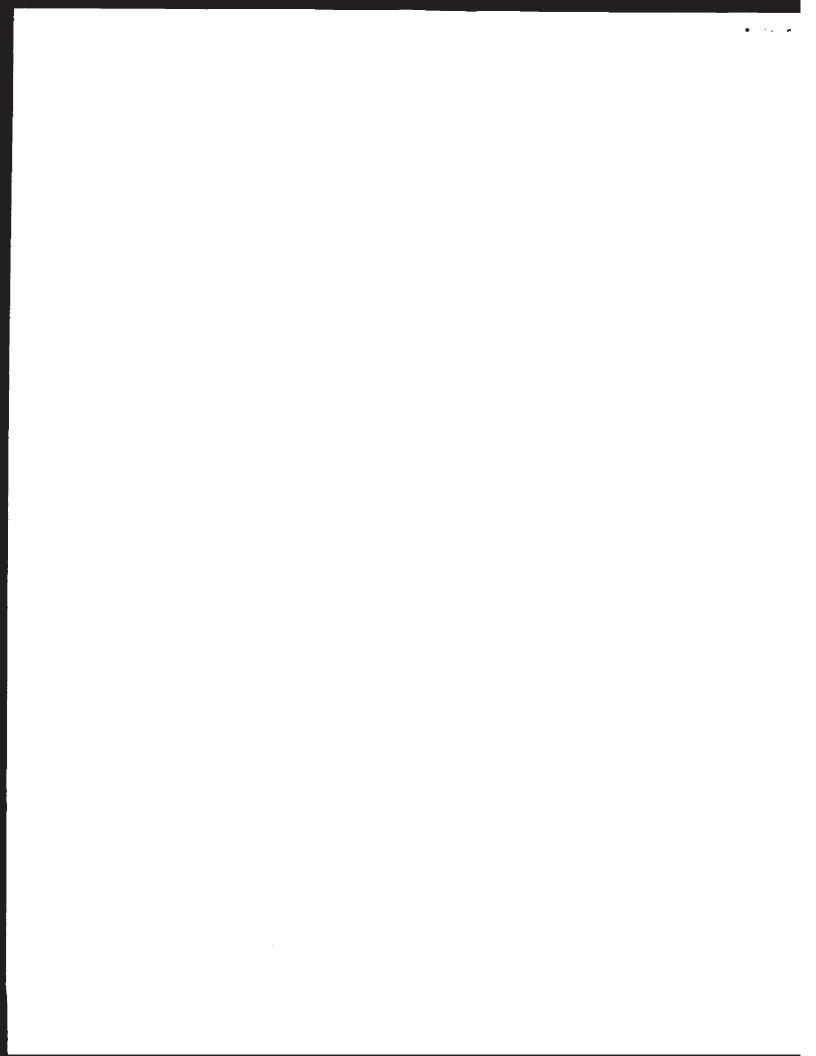
Hi Dorothy.

I'm working on an objection letter from VA on our GenPro filing, and the following inquiries are those on which I need your help:

The riders state that they are effective on the effective date of the policy. Please advise if the insured
has the option to purchase riders after the effective date of the policy.

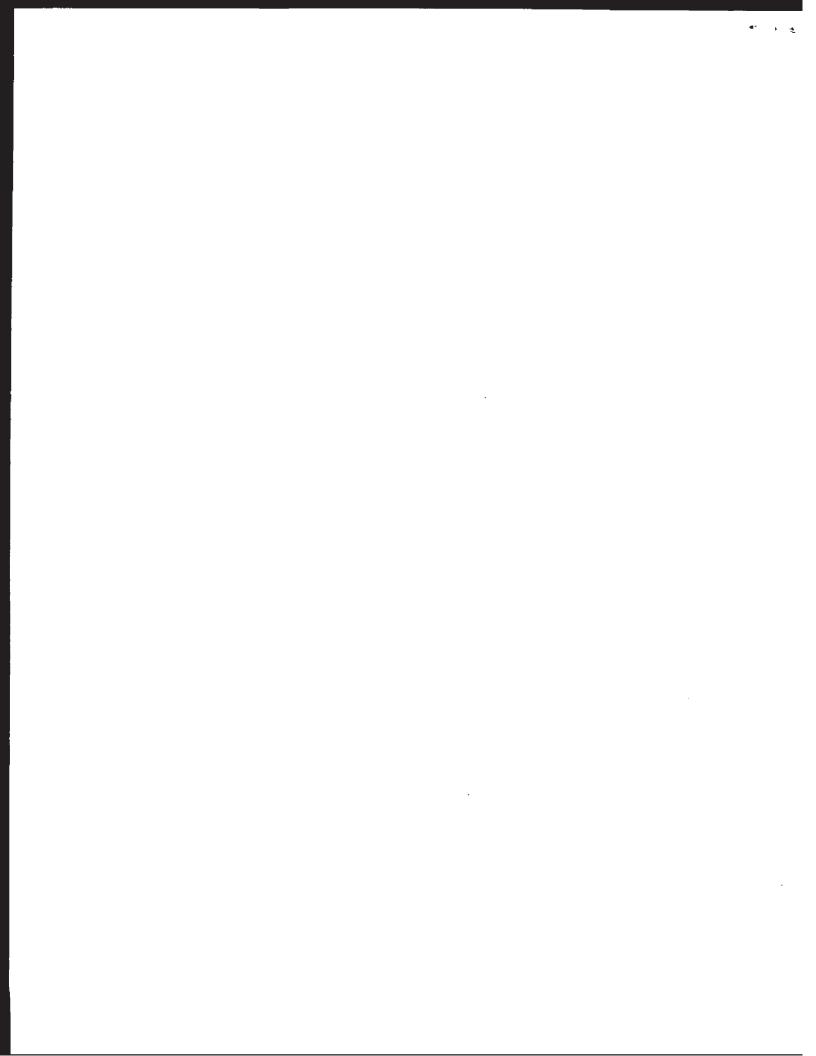
It's my understanding that in order to purchase additional riders, a whole new policy would have to be issued. Is this correct? If it is, would the issue age be the same as the "old" policy? Or would the "new" policy have a new issue age?

The first question appearing in the Other insurance information section asks the applicant if he/she
had another disability income policy in force in the last 12 months. Please advise how this question
applies to a long term care insurance application.



It's my understanding that this question appears in order to determine whether our policy will replace another policy or whether our policy would be duplicative to another policy, and that disability income benefits may be similar to long term care benefits, so we would want to know whether we are replacing or duplicating coverage. Is this correct? If not, please advise why we ask this question.

Let me know if you have any questions. Thanks, Tammy



**Todd Petit** 

To: Tammy Smasal/allianzlife@AZLIFE cc: Martin Kline/allianzlife@AZLIFE

07/07/2003 12:21 PM

Subject: Re: VA GenPro

Tammy,

I am fine with both of these changes.

Todd

Tammy Smasal

Tammy Smasal

To: Todd Petit/allianzlife@AZLIFE, Martin Kline/allianzlife@AZLIFE

07/07/2003 11:02 AM

Subject: VA GenPro

CC:

I'm working on an objection letter from VA on our GenPro filing, and the following objections are those on which I need your help:

Pertaining to form 10-R8, 14 VAC 5-200-185 K 2 is applicable to qualified long term care insurance policies with level premiums. As such, the rider should state that the amount of the benefit may be adjusted subsequent to being initially granted only as necessary to reflect changes in claims, persistency, and interest as reflected in changes in rates for premium paying contracts approved by the commission for the same contract form. If the policy is not a level premium contract, please advise.

This objection is with respect to the Shortened Benefit Rider. Is it okay to add this language to the "Maximum Shortened Benefit Period Amount" definition? Attached is the rider with the language added (in red) so you can see how it looks.



Shortened Benefit Rider VA.d

 Form 10-E-1-VA should state that all benefits paid by the insurer while the policy is in premium paying status and in the paid up status will not exceed the maximum benefits which would be payable if the policy had remained in the premium paying status.

This objection is with respect to the Contingent Benefit Upon Lapse Endorsement. Is it okay to add this language to the "Contingent Benefit Upon Lapse" provision? Attached is the endorsement with the language added (in red) so you can see how it looks.



Contingent Benefit Upon Lapse Endorsement V/

Let me know if you have any questions. Thanks, Tammy



CE SION

ALFRED W. GROSS COMMISSIONER OF INSURANCE STATE CORPORATION COMMISSION BUREAU OF INSURANCE P.O. BOX 1157 RICHMOND, VIRGINIA 23218 TELEPHONE: (804) 371-9741 TDD/VOICE: (804) 371-9206 http://www.state.va.us/scc

June 20, 2003

ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA 5701 GOLDEN HILLS DRIVE MINNEAPOLIS, MN 55416-1297

Attn: TAMMY SMASAL

SENIOR COMPLIANCE ANALYST

RE: YOUR SUBMISSION DATED MAY 21, 2003

Submission No: 007 0000020897 Form Nos.: 10-P-Q-VA, et al.

Dear Ms. Smasal:

The above submission, received in this office on 05/27/03, is DISAPPROVED and may not be used in the Commonwealth of Virginia.

One or more forms included within the submission were found to be in non-conformity with statutory, regulatory or administrative requirements as set forth below.

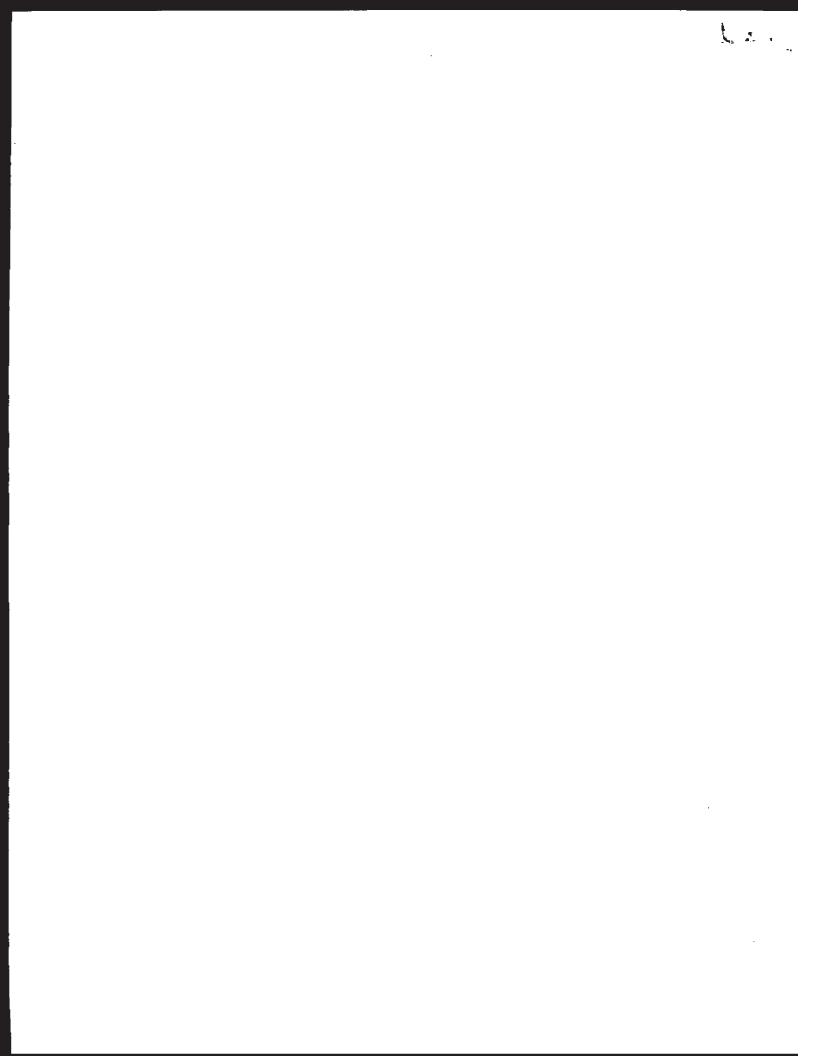
The following three comments apply to form 10-P-Q-VA.

The caution statement appearing on the first page of the policy should more closely mirror the language set forth in 14 VAC 5-200-80 C 2. Specifically, the notice should not set a 30-day time frame in which the insured should contact the company in the event that responses in the application are incorrect.

The definition of *hands-on assistance* appearing within the definition of *Substantial Assistance* should more closely mirror the language set forth in 14 VAC 5-200-50.

The policy uses the term *personal care services*. As such, the policy should define the term *personal care* consistent with the language set forth in 14 VAC 5-200-50.

We have neither reviewed nor taken any action on the outline of coverage. Even though the form is neither approved nor disapproved, the outline should be consistent with the policy provisions, statutory requirements, and the regulatory requirements of 14 VAC 5-200-200. Please note that the text and the sequence of text of the standard



ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA

June 20, 2003

Page 2

A 42 6

format for the outline of coverage are <u>mandatory</u>, unless otherwise specifically indicated. Please review the outline of coverage for regulatory conformity.

The riders state that they are effective on the effective date of the policy. Please advise if the insured has the option to purchase riders after the effective date of the policy.

Please advise where the premium for the riders is expressed pursuant to 14 VAC 5-200-70 B.

Form 10-R7 should state that the company will notify the insured in writing at least <u>60</u> days before changes in premium are effective pursuant to 14 VAC 5-200-75 E.

Pertaining to form 10-R8, 14 VAC 5-200-185 K 2 is applicable to qualified long-term care insurance policies with level premiums. As such, the rider should state that the amount of the benefit may be adjusted subsequent to being initially granted only as necessary to reflect changes in claims, persistency and interest as reflected in changes in rates for premium paying contracts approved by the commission for the same contract form. If the policy is not a level premium contract, please advise.

Form 10-E-1-VA should state that all benefits paid by the insurer while the policy is in premium paying status and in the paid-up status will not exceed the maximum benefits which would be payable if the policy had remained in the premium paying status.

Your readability certification does not contain the number of words, syllables, and sentences as required by 14 VAC 5-110-60. Please include this information in your resubmission.

Form WS1-VA should contain the direction (Check One) following the first question appearing in the Questions Related to Your Income section for conformity with 14 VAC 5-200-175 C 2.

We did not review the Long-Term Care Insurance Potential Rate Increase Disclosure Form. As long as the form is a separate form (meaning not incorporated into another form that requires review), it will not be subject to review for approval or disapproval. Even though the form is neither approved nor disapproved, it should be consistent with regulatory requirements set forth in 14 VAC 5-200-75 D.

#### ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA June 20, 2003 Page 3

The following two comments apply to form 10-A-VA.

The first question appearing in the Other Insurance Information section asks the applicant if he/she had another disability income policy in force in the last 12 months. Please advise how this question applies to a long-term care insurance application.

The application should include statements with respect to the agent as required by 14 VAC 5-200-110 B.

We are returning the advertising materials to be submitted under separate cover for the purposes of filing for informational purposes only. (Forms filed for informational purposes should be submitted separately from forms for which formal approval is sought.) Upon the receipt of proper filing, we will acknowledge the submission under a separate submission number.

The rate filing has been referred to another examiner for review. We will keep you apprised of any developments regarding that review.

Upon subsequent review, other concerns may require attention.

We shall be glad to reconsider this submission upon receipt of revised forms to correct the objections noted above. Should you need clarification of any of the information contained in this letter, please contact the undersigned.

When corresponding with us concerning this submission, please refer to the Submission Number noted above. Please also verify that your company's NAIC number is displayed prominently on all correspondence.

Thank you for your courtesy and consideration in this matter.

Sincerely,

Elsie B. Andy

Insurance Market Examiner
Forms and Rates Section
Life and Health Division

Telephone No. (804) 371-9072

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<sup>.</sup> 

**Allianz Life Insurance Company of North America** 5701 Golden Hills Drive

Minneapolis, MN 55416-1297

Allianz (II)

DISAPPROVED

May 21, 2003

Commonwealth Of Virginia State Corporation Commission Bureau Of Insurance

State Corporation Commission

Bureau of Insurance PO Box 1157

Richmond, VA 23218

ATE Idaolo 3
Fori 30m

For Reasons State

RE:

Allianz Life Insurance Company of North America / NAIC 90611 / FEIN #41-1366075

Long Term Care Insurance Policy 10-P-Q-VA, et al

Attached is a list of forms for your review and approval. All forms are new unless otherwise stated and do not supersede any previously filed forms. Our Company's licensed agents will sell all forms on a personal contact basis. Please be advised that we will be using the NAIC Buyer's Guide.

Form 10-P-Q-VA is a guaranteed renewable tax qualified long term care insurance policy. The policy will pay the actual charges incurred, up to the elected facility care daily benefit, for skilled, intermediate and custodial nursing care, while the insured is confined in a nursing facility or an assisted living facility. The policy will also pay the actual expenses incurred up to the home and community care daily benefit (70%, 100%, or 130% of the facility care daily benefit) for covered services such as professional nursing care, care by a home health aide, therapeutic care services, homemaker services, adult day care, and hospice care.

Eligibility for benefits is based on the inability to perform at least 2 out of 6 activities of daily living or severe cognitive impairment. Benefits are payable after the satisfaction of a 7, 30, 60, 90 or 180-day elimination period. Once the elimination period has been satisfied, no future elimination period will be required. Days may be accumulated under separate claims in order to satisfy the elimination period.

The policies will be issued to insured age 18-84 (age last birthday). The daily benefit amount available ranges from \$100 to \$500 in increments of \$10. The insured may elect a benefit period of 2, 3, 4, 5, or 8 years, or elect a lifetime benefit period

As described in the actuarial memorandum, discounted premiums will be available for endorsed groups, Allianz employees and agents, those who are married, and spousal contracts. Spousal coverage is available for two people who are married, live in the same household, and are both issued contracts. In the case of spousal coverage, each insured has their own individual policy so that all policy benefits, provisions, and eligibility rules will be applied separately for each insured.

Other benefits provided by the policy are as follows:

Bed Reservation Benefit - If the insured is eligible for benefit payments and confined in a nursing facility or an assisted living facility, we will continue to pay benefits if the insured becomes hospitalized or temporarily leaves the facility. This benefit is payable for a maximum of 60 days per calendar year.

Caregiver Training Benefit - If the insured is chronically ill, we will pay the expenses incurred for an informal caregiver to receive training to care for the insured, up to the maximum caregiver training benefit.

Respite Care Benefit – This benefit provides short term care to relieve family or friends who are providing care to the insured in the insured's home. If the insured is chronically ill, we will pay the actual daily charges incurred for each day of facility care, up to the facility care daily benefit elected, or the actual expenses incurred for each day of home and community care, up to the home and community care daily benefit elected. This benefit is payable for a maximum of 30 days per calendar year.

Alternative Plan of Care Benefit – An alternative plan of care is available if agreed to by the insured, the licensed health care practitioner, and the company. Services may include equipment purchases or rentals, permanent or temporary modifications to the insured's home (such as ramps or rails), or care services not normally covered under other benefit provisions.

Nursing Facility Recovery Benefit – If facility care daily benefits have been paid for at least 12 continuous months due to confinement in a nursing facility, and the insured is certified as no longer chronically ill, the contract will be paid-up.

Waiver of Premium Benefit – If the insured is eligible for benefit payments and the elimination period has been satisfied, we will waive each premium that comes due, according to the mode of premium in effect at the time the insured became eligible for benefits. Once the insured is no longer chronically ill, the waiver ends, and the insured is put back on schedule with the previous billing mode. When billing is back on schedule, regular billing resumes.

Care Coordination Advisor Benefit – The insured may choose to receive access to care management professionals who will work with the insured, his or her family, and his or her licensed health care practitioner to determine and monitor care. This includes assessment of the situation of the insured and investigation of available care resources. This service is not required for the insured to obtain benefits under the contract. If used, this service will not accumulate toward the maximum lifetime benefit.

Several optional riders are available for attachment to the policy.

Form 10-R1 is a 3% Lifetime Compound Benefit Increase Rider. This rider provides compound 3% inflation protection. Each year, the facility care daily benefit and home and community care daily benefit will be increased by 3% from the previous year's amount. The monthly indemnity benefit (if the comprehensive monthly indemnity benefit rider is elected) or the home and community care monthly indemnity benefit (if the home and community care monthly indemnity benefit rider is elected) will be increased by 3% from the previous year's amount. The remaining maximum lifetime benefit will be increased by 3%.

Form 10-R2 is a 4% Lifetime Compound Benefit Increase Rider. This rider provides compound 4% inflation protection. Each year, the facility care daily benefit and home and community care daily benefit will be increased by 4% from the previous year's amount. The monthly indemnity benefit (if the comprehensive monthly indemnity benefit rider is elected) or the home and community care monthly indemnity benefit (if the home and community care monthly indemnity benefit rider is elected) will be increased by 4% from the previous year's amount. The remaining maximum lifetime benefit will be increased by 4%.

Form 10-R3 is a 5% Lifetime Compound Benefit Increase Rider. This rider provides compound 5% inflation protection. Each year, the facility care daily benefit and home and community care daily benefit will be increased by 5% from the previous year's amount. The monthly indemnity benefit (if the comprehensive monthly indemnity benefit rider is elected) or the home and community care monthly indemnity benefit (if the home and community care monthly indemnity benefit rider is elected) will be increased by 5% from the previous year's amount. The remaining maximum lifetime benefit will be increased by 5%.

Form 10-R4 is a Two Times Compound Benefit Increase Rider. This rider provides compound 5% inflation protection. Each year, the facility care daily benefit and home and community care daily benefit will be increased by 5% from the previous year's amount. The monthly indemnity benefit (if the comprehensive monthly indemnity benefit rider is elected) or the home and community care monthly indemnity benefit (if the home and community care monthly indemnity benefit rider is elected) will be increased by 5% from the previous year's amount. The remaining maximum lifetime benefit will be increased by 5%.

Form 10-R5 is a Simple Benefit Increase Rider. This rider provides simple 5% inflation protection. Each year, the facility care daily benefit and home and community care daily benefit will be increased by 5% of the original amount issued to you. The monthly indemnity benefit (if the comprehensive monthly indemnity benefit rider is elected) or the home and community care monthly indemnity benefit (if the home and community care monthly indemnity benefit rider is elected) will be increased by 5% of the original amount issued to you. The remaining maximum lifetime benefit will also increase by the same proportion as the increase in the daily benefits.

Form 10-R6 is a Limited Pay Rider. If the insured is age 64 or younger on the policy effective date, once the insured has paid required premiums until the first policy anniversary following his or her 80<sup>th</sup> birthday, this rider provides a paid-up contract. For an insured age 65 or older on the policy effective date, once the insured has paid required premiums until the first policy anniversary after 15 policy years, this rider provides a paid-up contract.

Form 10-R7 is an Accelerated Premium Rider. If the insured is age 64 or younger on the policy effective date, this rider adjusts the premium to 1.4 times the amount that would have been paid without the rider for the first ten policy years. For policy years eleven through termination, the premium is adjusted to 0.7 times the amount that would have been paid without the rider. For an insured age 65 or older on the policy effective date, this rider adjusts the premium to 1.2 times the amount that would have been paid without the rider for the first ten policy years. For policy years eleven through termination, the premium is adjusted to 0.6 times the amount that would have been paid without the rider.

Form 10-R8 is a Shortened Benefit Rider. If the contract lapses after 3 years due to nonpayment of premium, this rider will continue coverage until the total of benefits paid, including benefits paid before lapse, equals the premiums paid. The benefit would never be less than thirty times the facility care daily benefit in effect at the time of lapse.

Form 10-R9 is a Calendar Day Elimination Period Rider. This rider credits, toward the elimination period, each day that the insured is chronically ill from the first day that the insured receives care.

Form 10-R10 is a Home and Community Care Monthly Benefit Rider. This rider pays the home and community care benefit on a monthly basis rather than on a daily basis.

Form 10-R11 is a Waiver of Home and Community Care Elimination Period Rider. This rider waives the requirement to satisfy the elimination period if the insured is receiving home and community care.

Form 10-R12 is a Home and Community Care Monthly Indemnity Benefit Rider. This rider provides a cash benefit in any month that a home and community care benefit payment is received.

Form 10-R13 is a Comprehensive Monthly Indemnity Benefit Rider. This rider provides a cash benefit in any month that a benefit payment is received.

Form 10-R14 is a Return of Premium Upon Death Rider. This rider returns all premiums paid, less any benefits paid, to the named beneficiary, or to the estate if no beneficiary has been designated, if the contract terminates because of the insured's death.

Form 10-R15 is a Full Return of Premium Upon Death Rider. This rider returns all premiums paid to the named beneficiary, or to the estate if no beneficiary has been designated, if the contract terminates because of the insured's death.

Form 10-R16 is a Restoration of Benefits Rider. If benefits have been paid and deducted from the maximum lifetime benefit, this rider restores the maximum lifetime benefit if, for a period of 180 consecutive days, the contract is in force, the insured is not receiving benefit payments, and the insured is no longer chronically ill. The maximum lifetime benefit may be restored an unlimited number of times.

Form 10-R17 is a Married Discount Rider. This rider provides a premium discount if the insured is married.

Form 10-R18 is a Spousal Discount Rider. This rider provides a premium discount if both the insured and an insured spouse, with whom the insured is living and to whom the insured is married, are issued contracts.

Form 10-R19 is a Spousal Shared Care Rider. This rider allows the insured to access the insured spouse's available benefits, up to the spousal shared care benefit amount, once the insured exhausts his or her maximum lifetime benefit. The spousal shared care benefit amount is calculated as the maximum lifetime benefit, less the total of all claims paid, less 365 times the facility care daily benefit in effect at the time of claim.

Form 10-R20 is a Spousal Waiver of Premium Rider. This rider waives the insured's premium as it comes due if the insured spouse is eligible for benefit payments and has satisfied the elimination period.

Form 10-R21 is a Spousal Survivorship Rider. This rider provides a paid-up contract if both insureds' contracts have been in force for ten policy years and then the insured spouse dies.

Form 10-E-1-VA is a Contingent Benefit Upon Lapse Endorsement. This endorsement will be included in all contracts that do not include the Shortened Benefit Rider. Each time premiums are increased above the level defined by the state as a "substantial premium increase," the insured may choose either a reduction of policy benefits so that premiums are not increased or a conversion of the policy to paid-up status with a shortened benefit period.

Form 10-E-2 is a Facility Care Only Policy Endorsement. This endorsement deletes any reference in the policy to "Home and Community Care," therefore making it a Facility Care Only Policy. This endorsement will only be used if an applicant does not meet our underwriting guidelines for both facility care and home and community care. In order to offer the applicant some level of coverage, we may offer facility care only coverage, thus the need for this endorsement.

Form 10-E-3 is an International Coverage Benefit Endorsement. This endorsement provides benefits if the insured is eligible for benefit payments and requires qualified long term care services while outside the fifty United States, the District of Columbia, or Canada. This endorsement will be attached to all policies.

Form 10-A-VA is the application for long term care insurance.

Form 10-OC-Q-VA is the outline of coverage. The outline of coverage provides a brief description of the important features of the policy and riders.

Form 10-CB is a consumer brochure. Form 10-CR is a camera-ready advertising piece. Please note, the marketing name of the product is Generation Protector.

For your information, as required by the Long Term Care Insurance Model Regulation, enclosed is a personal worksheet, Form WS1-VA, and a potential rate increase disclosure, Form PRD-VA. These forms will be provided upon solicitation and may be used with other products filed in the future.

We have added brackets around all information on the forms that may change in the future and also around information that is variable.

Additional items enclosed relevant to this filing are the Actuarial Memorandum, policy illustration, and other materials required by the Department.

The application and riders may be used with other forms filed in the future.

To the best of our knowledge and belief, the above forms conform to all State Insurance Statutes, Regulations and Department requirements.

Please use the enclosed copies to acknowledge approval. Do not hesitate to call me with any questions you may have at 800-328-5601, extension 32804. Thank you for your consideration.

Sincerely,

Sr. Compliance Analyst

Product/Forms Filing Compliance E-mail: tammy\_smasal@allianzlife.com

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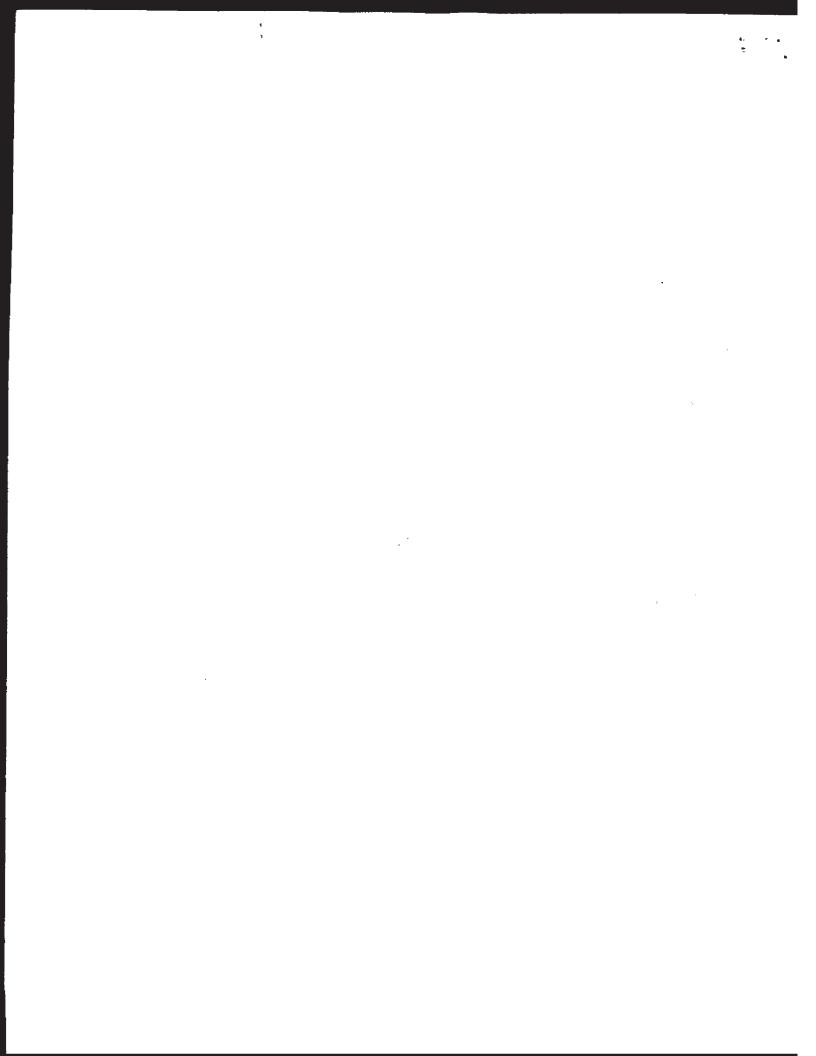
Fax:763/582-6495

Tammy Smasal

## FORMS FILING COVER SHEET

## POLICY FORMS FILED FOR USE AS QUALIFIED TAX STATUS

| 10-P-Q-VA<br>10-PS-Q<br>10-OC-Q-VA  | Long Term Care Insurance Policy Long Term Care Insurance Policy Schedule Page Outline of Coverage for Long Term Care Insurance Policy  |
|---|--|
| 10-R1 10-R2 10-R3 10-R4 10-R5 10-R6 10-R7 10-R8 10-R9 10-R10 10-R11 10-R12 10-R13 10-R14 10-R15 10-R16 10-R17 10-R18 10-R19 10-R20 10-R20 | 3% Lifetime Compound Benefit Increase Rider 4% Lifetime Compound Benefit Increase Rider 5% Lifetime Compound Benefit Increase Rider Two Times Compound Benefit Increase Rider SImple Benefit Increase Rider Limited Pay Rider Accelerated Premium Rider Shortened Benefit Rider Calendar Day Elimination Period Rider Home & Community Care Monthly Benefit Rider Waiver of Home & Community Care Elimination Period Rider Home & Community Care Monthly Indemnity Benefit Rider Comprehensive Monthly Indemnity Benefit Rider Return of Premium Upon Death Rider Full Return of Premium Upon Death Rider Restoration of Benefits Rider Married Discount Rider Spousal Discount Rider Spousal Shared Care Rider Spousal Survivorship Rider |
| 10-E-1-VA<br>10-E-2<br>10-E-3<br>10-A-VA  | Contingent Benefit Upon Lapse Endorsement Facility Care Only Policy Endorsement International Coverage Benefit Endorsement Application for Long Term Care Insurance  |
| 10-CB<br>10-CR  | Consumer Brochure Camera Ready Advertising   |





Allianz Life Insurance Company of North America [5701 Golden Hills Drive Minneapolis, MN 55416-1297] [800/328-5601]

#### CERTIFICATE OF READABILITY

| POLICY FORM | FLESCH SCORE | POLICY FORM | FLESCH SCORE |
|-------------|--------------|-------------|--------------|
| 10-P-Q-VA   | 50           | 10-R13      | 77           |
| 10-OC-Q-VA  | 50           | 10-R14      | 80 .         |
| 10-R1       | 69           | 10-R15      | 79           |
| 10-R2       | 70           | 10-R16      | 78           |
| 10-R3       | 69           | 10-R17      | 82           |
| 10-R4       | 68           | 10-R18      | 81           |
| 10-R5       | 72           | 10-R19      | 75           |
| 10-R6       | 81           | 10-R20      | 79           |
| 10-R7       | <b>77</b>    | 10-R21      | 79           |
| 10-R8       | 75           | 10-E-1-VA   | 68           |
| 10-R9       | 78           | 10-E-2      | 75           |
| 10-R10      | 82           | 10-E-3      | 50           |
| 10-R11      | 74           |             |              |
| 10-R12      | 77           | 10-A-VA     | 50           |

It is hereby certified that each policy form listed above meets the minimum reading ease score required by each of the following states:

| CONNECTICUT   | NEW JERSEY     |
|---------------|----------------|
| FLORIDA       | NEW MEXICO     |
| GEORGIA       | NORTH CAROLINA |
| HAWAII        | NORTH DAKOTA   |
| INDIANA       | OHIO           |
| KENTUCKY      | OKLAHOMA       |
| MAINE         | OREGON         |
| MARYLAND      | SOUTH CAROLINA |
| MASSACHUSETTS | SOUTH DAKOTA   |
| MICHIGAN      | TENNESSEE      |
| MINNESOTA     | TEXAS          |
| MONTANA       | VERMONT        |
| NEBRASKA      | VIRGINIA       |
| NEVADA        | WEST VIRGINIA  |
| NEW HAMPSHIRE | WISCONSIN      |

The Flesch score was calculated using the text of the entire form. ("Text" is as defined by state regulations).

Each form, in my judgment, is readable and complies with all applicable state rules and regulations as to size of print, format and arrangement.

Date: May 21, 2003

Vickie J. Hendrickson

Assistant Vice President, Compliance

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#### **VIRGINIA**

#### **CERTIFICATE**

RE: Form #: 10-P-Q-VA, et al

The Company has reviewed the enclosed policy form(s) and certifies that, to the best of its knowledge and belief, each form submitted is consistent and complies with the requirements of Title 38.1 of the Code of Virginia and the regulations promulgated pursuant thereto.

Date: May 21, 2003

Suzanne Pepin

Senior Vice President, Secretary and Chief Legal Officer

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|---------------------------|---------------------------------|---|
| [Cement Hims Requirements |                                 |   |
| Transmittal Letter        | 14 VAC 5-100-40                 | Must be submitted in duplicate for each filing, describing each form, its intended use and kind of insurance provided.  |
|                           | 14 VAC 5-100-40 1               | Forms submitted and described in transmittal letter must have a number that consists of   |
|                           |                                 | digits, letters, or a combination of both. (Our system limits the number of characters to 20, including spaces, commas, hyphens, etc.)                                      |
|                           | 14 VAC 5-100-40 2               | Must clearly indicate if forms are replacements, revisions, or modifications of previously approved forms and describe the exact changes that are intended.                 |
|                           | 14 VAC 5-100-40 3               | Certification of Compliance signed by General Counsel or officer of company or attorney or actuary representing company is required.  |
|                           | 14 VAC 5-100-40 5               | Description of market for which the form is intended.   |
|                           | 14 VAC 5-100-40 6               | _   |
|                           |                                 | must be submitted if the company wants a "stamped" copy of forms for its records. A stamped self-addressed return envelope is required. The letter of transmittal must be   |
|                           |                                 | ⊋   |
|                           | Administrative Letter<br>1983-7 | s and NAIC number of the company for which the filing is mad  |
| Sin (4)                   |                                 | を受ける。 「「「「「「「「「」」」」、「「」」、「「」」、「」」、「」」、「」」、「」」   |
| Form number               | 14 VAC 5-100-50 1               | Form number must appear in lower left-hand corner of first page of each form.   |
| Company name & address    | 14 VAC 5-100-50 2               | Full and proper corporate name (inctuding "Inc.") must prominently appear on cover sheet  |
|                           |                                 | or all policies and other forms. Home onice address of insurer must prominently appear on each policy.  |
| Final form                | 14 VAC 5-100-50 3               | Form must be submitted in the final form in which it will be issued and completed in "John Doe" fashion to indicate its intended use  |
| Application               | 14 VAC 5-100-50 4               | Any policy which is to be issued with an attached application, must be filed with a copy of   |
|                           |                                 | the application completed in "John Doe" fashion to indicate its intended use. (If application   |
| Tyme Size                 | 14 VAC 5-100-50 5               | was previously approved, advise date or approved;  Individual Accident and Sickness forms must be printed with type size of at least ten-point                              |
| 250 045                   | 3                               |   |
| Arbitration               | § 38.2-312                      | Contract may not deprive courts of Virginia jurisdiction in actions against insurer.  Arbitration may not be binding.   |
| Fraud Notice              | § 38.2-316 D 1                  | Title 38.2 of the Insurance Code does not define "Insurance Fraud". Any notice regarding in a notice regarding of the Code Variations in a notice.                          |
|                           |                                 | warning of consequences of making fraudulent statements are acceptable. The notice may disclose that it does not apply in Virginia or may disclose states where applicable. |
| Readability certification | 14 VAC 5-110-60                 | Readability certification is required.  |
|                           |                                 |   |

Individual Long-Term Care Virginia 1<sup>st</sup> Edition July 2001 Page 1 of 5 Updated:

# Review Requirements Checklist INDIVIDUAL LONG-TERM CARE

| The state of the s |                      |  |
|--|----------------------|--|
|  | 14 VAC 5-200-175-C 2 | The LTC personal suitability worksheet must be submitted with the policy.  |
| Entire consideration   | § 38.2-3500 A 1      | The entire consideration is expressed in the policy.   |
| Effective-Termination time   | § 38.2-3500 A 2      | The time (clock time) the policy becomes effective or terminates is expressed in the policy.   |
| DMAS Payor of last resort  | § 38.2-3500 A 7      | Every accident and health policy must contain a statement indicating the Department of Medical Assistance Services as the payor of last resort.  |
| Definition of eligible family members  | § 38.2-3500 C        |  |
| Renewal provision  |                      | The regulation specifies the content of the renewability provision. The renewal provision  |
|  |                      | must be eitner guaranteed renewable or noncancellable.   |
| LTC Caution notice   | 14 VAC 5-200-80 C 2  | Required language.   |
| 30-day free look   | § 38.2-5208 A        | The state of the s |
| Notice to buyer  | 14 VAC 5-200-170 A 3 | Required language.   |
| Pollpy/Provistons<br>Conecal   |                      |  |
| Entire contract  | § 38.2-3503 1        | efines the contents of the   |
| Grace period   | § 38.2-3503 3        | The provision defines the grace period and length of the various acceptable grace periods.   |
|  | 14 VAC 5-200-65 A 3  | The policy must specify an additional 30 days for an unintentional lapse of coverage.  |
| Reinstatement  | § 38.2-3503 4        |  |
|  | 14 VAC 5-200-65 B    | The regulation provides for an extended reinstatement period in the event of policy lapse due to cognitive impairment.   |
| Notice of claim  | § 38.2-3503 5        |  |
| Claim forms  | § 38.2-3503 6        |  |
| Proof of loss  | § 38.2-3503 7        |  |
| Time payment of claims   | § 38.2-3503 8        | The provision specifies when benefits will be paid.  |
| Payment of claims ·  | § 38.2-3503 9        | The provision specifies to whom benefits will be paid  |
| Physical examinations and  | § 38.2-3503 10       |  |
| autopsy  |                      |  |
| Legal actions  | § 38.2-3503 11       |  |
| Change of beneficiary  | § 38.2-3503 12       | (For payment to beneficiaries, see Payment of Claims provision-§ 38.2-3503 9.)   |
| Long term care incontestability  | § 38.2-5209          | The provision contains specific incontestability language for long-term care insurance.  |

Individual Long-Term Care Virginia 1<sup>st</sup> Edition July 2001 Page 2 of 5 Updated:

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|--|------------------|--|
| Age Limit                              | § 38.2-3513 A    | If the policy establishes an age-limit after which coverage will no longer be effective, and if  |
|  | ,                | the date falls within a period for which a premium is accepted by the insurer or the insurer accepts a premium after the date, the coverage provided by the policy will continue in force until the end of the period for which the premium has been accepted.   |
|  | § 38.2-3513 B    | If the age of the insured has been misstated and the policy would not have been issued   |
|  | 1                | according to the correct age of the insured, the policy would not have become effective or   |
|  |                  | would have ceased prior to the acceptance of the premium, then the liability of the insurer  |
| Britisce (Produce)                     |                  | <u> </u>   |
| Change of occupation                   | 8 38.2-3504 1    | <ul><li></li></ul>   |
| Misstatement of age                    | § 38.2-3504 2    |  |
| Other insurance in this company        | § 38.2-3504 3    |  |
| Insurance with other company           | § 38.2-3504 4    |  |
| Unpaid premiums                        | § 38.2-3504 7    |  |
| Conformity with state statutes         | § 38.2-3504 9    | Must use "resides" language  |
| Illegal occupation                     | \$ 38.2-3504 10  |  |
| Intoxicants and narcotics              | \$ 38.2-3504 11  |  |
| िमन्त्रवाधितस्त्रः निम्मत्रवास्त्राक्ष |                  | 等,就是一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个一个   |
|  | § 38.2-5203      | Specified provisions prohibited in a long-term care policy.  |
|  | § 38.2-5205      | Prior institutionalization may not be a requirement to receive benefits.   |
|  | 14 VAC 5-200-190 | Preexisting conditions and waiting periods may not be used in replacement policies.  |
|  | § 38.2-3405 A    | No policy shall contain a provision regarding subrogation of any person's right to recovery  |
|  | -                | To personal injuries from a unit person.   |
|  | § 38.2-3405 B    | Benefits may not be reduced due to benefits payable due to benefits provided by a liability included contract. Motor violate as fault have as referred in 14 VAC 5-200-60 B may not  |
|  |                  | be part of a policy exclusion.   |
|  | § 38.2-3405 C    | The statute discusses exceptions to exclusions due to benefits payable under workers'  |
|  |                  | compensation.  |
| Minimum standards for home             | 14 VAC 5-200-90  | The minimum standards include prohibited exclusions and restrictions regarding home  |
| health care                            |                  | health care benefits.  |
| Life Follow Regularingens              |                  | のでは、「では、「では、「では、「では、「では、「では、「では、「では、「では、」では、「では、「では、」では、「では、」では、「では、」では、「では、「では、」では、「では、「では、「では、」では、「では、「では、「で<br>「では、「では、「では、」では、「では、「では、「では、「では、」では、「では、「では、」では、「では、「では、」では、「では、「では、」では、「では、」では、「では、「では、「では、」では、「では、「では、「では、「では、「では、「では、」では、「では、「では、「では、「では、」では、「では、「では、「では、」では、「では、「では、「では、」では、「では、「では、「では、」では、「では、「では、「では、」では、「では、「では、」では、「では、「では、「では、」では、「では、「では、」では、「では、「では、」では、「では、「では、」では、「では、「では、」では、「では、「では、」では、「では、「では、」では、「では、「では、」では、「では、「では、」では、「では、「では、」では、「では、「では、」では、「では、「では、」では、「では、「では、」では、「では、「では、」では、」では、「では、」では、」では、「では、」では、「では、」では、「では、」では、「では、」では、「では、」では、「では、」では、「では、」では、「では、」では、「では、」では、」では、「では、」では、」では、「では、」では、」では、「では、」では、」では、「では、」では、」では、「では、」では、」では、「では、」では、」では、「では、」では、」では、「では、」では、」では、」では、「では、」では、」では、」では、」では、」では、「では、」では、」では、「では、」では、」では、「では、」では、」では、」では、「では、」では、」では、」では、「では、」では、」では、」では、「では、」では、」では、「では、」では、」では、」では、」では、「では、」では、」では、」では、「では、」では、」では、」では、「では、」では、」では、「では、」では、」では、」では、」では、」では、「では、」では、」では、」では、」では、」では、」では、」では、」では、、」では、」では |
| Duration of benefits                   | § 38.2-5200      | ovided for a minimum of 12 months.   |
| Refund of premium for                  | § 38.2-5202.1    | Provides for the termination of the policy by the insured and for cancellation of the policy   |
| cancellation or termination of         |                  | by the insurer.  |
| policy                                 |                  |  |

Individual Long-Term Care Virginia 1<sup>st</sup> Edition July 2001 Page 3 of 5 Updated:

## Review Requirements Checklist INDIVIDUAL LONG-TERM CARE

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|----------------------------------|-----------------------|--|
| Preexisting condition            | § 38.2-5204           | Defines look-back period and limitation period for preexisting conditions.   |
|                                  | 14 VAC 5-200-70 D     | If policy includes limitations due to a preexisting condition, such limitations must be included labeled as "Preexisting Condition Limitations". |
| Definitions                      | 14 VAC 5-200-50       | Certain terms defined.   |
| UCR defined                      | 14 VAC 5-200-70 C     | The term must be defined if benefits are based on usual, reasonable and customary  |
|                                  |                       | charges.   |
| Limitations and exclusions       | 14 VAC 5-200-60 B     |  |
|                                  | § 38.2-3504 11        | Intoxicants and narcotics  |
| Extension of benefits            | 14 VAC 5-200-60 C     |  |
| Required to offer inflation      | 14 VAC 5-200-100 A    |  |
| protection                       |                       |  |
| Signed acceptance for riders and | 14 VAC 5-200-70 B     | All riders and/or endorsements that added to a policy after the date of issue that reduces,  |
| amendments                       |                       | restricts, or eliminates benefits in the policy will require signed acceptance. Also, where a  |
|                                  |                       | separate premium is charged for a rider or endorsement, the premium will be set forth in   |
|                                  |                       | the policy, rider, or endorsement.   |
| ( )                              |                       |  |
|                                  | \$ 38.2-5207          | The statute requires that an outline of coverage be provided to the insured. The statute   |
|                                  |                       | also specifies the information that should be included in the outline.   |
|                                  | § 38.2-5207 4         | A tax-qualified plan must be definitively identified as such.  |
| Lietes                           |                       |  |
|                                  | § 38.2-5206           |  |
|                                  | 14 VAC 5-200-150      | The regulation specifies the expected loss ratio.  |
|                                  | 14 VAC 5-130-60 A and | The regulation specifies rate filing and actuarial memorandum requirements.  |
|                                  | 130-60 B              |  |

Abbase के Administrative एतिहास, Administrative किवास, विस्तृतामानामान के कार्याप्तापत के कार्याप्तापत के कार्यामान के  The Life and Health Division, Forms and Rates Section handles individual long-term care insurance. Please contact this section at (804) 371-9110 if you have questions or need additional information about this line of insurance.

Individual Long-Term Care Virginia 1<sup>st</sup> Edition July 2001 Page 4 of 5 Updated:

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# Review Requirements Checklist INDIVIDUAL LONG-TERM CARE

I hereby certify that I have reviewed the attached individual long-term care filing and determined that it is in compliance with the individual long-term care checklist.

Signed: Juhan Am

Name (please print): Tammy Smasal

Company Name: Allianz Life Insurance Company of North America

Date: May 21, 2003 Phone No: 800/328-5601 Ext. 32804 FAX No: 763/582-6495

E-Mail Address: tammy smasal@allianzlife.com

Individual Long-Term Care Virginia 1<sup>st</sup> Edition July 2001 Page 5 of 5

Updated:

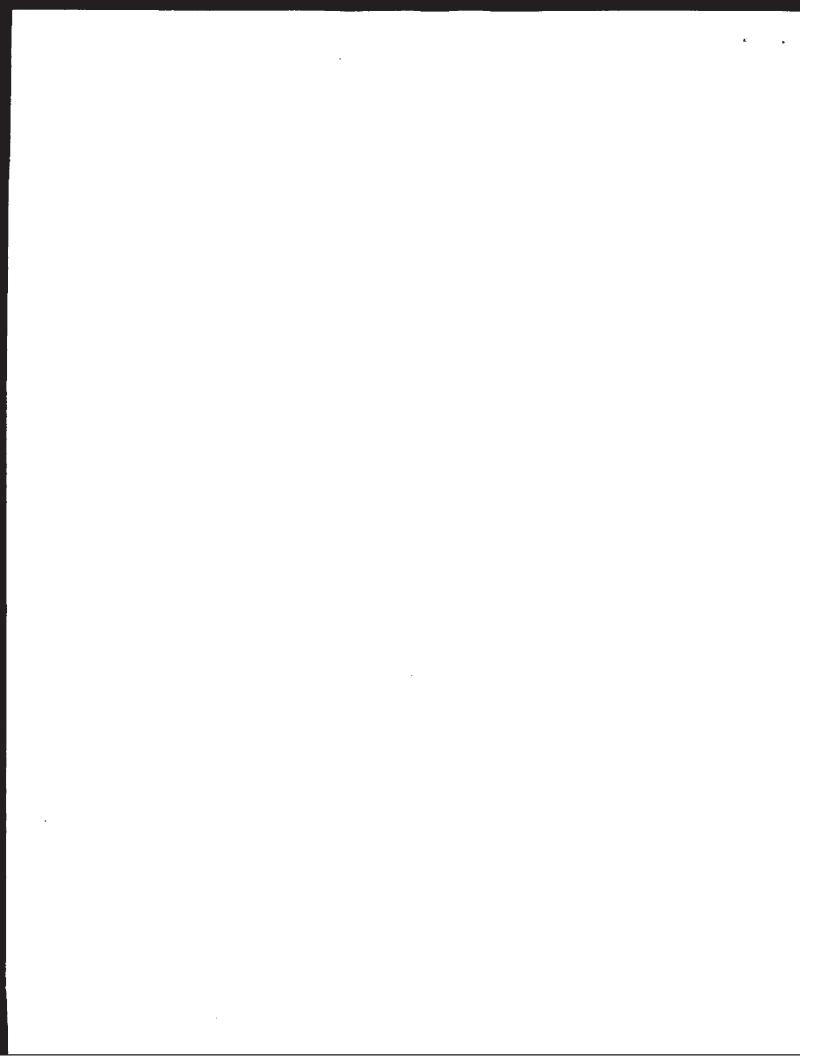
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|--|---|---|
| Transmittal Letter   | 14 VAC 5-100-40                           | Must be submitted in dunlicate for each filling describing each form, its intended use and  |
|  |   | kind of insurance provided.   |
|  | 14 VAC 5-100-40 1                         | Forms submitted and described in transmittal letter must have a number that consists of   |
|  |   | digits, letters, or a combination of both. (Our system limits the number of characters to 20,   |
|  |   | including spaces, commas, hyphens, etc.)  |
|  | 14 VAC 5-100-40 2                         | Must clearly indicate if forms are replacements, revisions, or modifications of previously  |
|  |   | approved forms and describe the exact changes that are intended.  |
|  | 14 VAC 5-100-40 3                         | Certification of Compliance signed by General Counsel or officer of company or attorney or  |
|  |   | actuary representing company is required.   |
|  | 14 VAC 5-100-40 5                         | Description of market for which the form is intended.   |
|  | 14 VAC 5-100-40 6                         | At least one copy of each form must be included in the filing. A duplicate copy of forms  |
|  |   | ==  |
|  |   | stamped self-addressed return envelope is required. The letter of transmittal must be   |
|  | -   | addressed to, State Corporation Commission, Bureau of Insurance, P. O. Box 1157,  |
|  |   | Richmond, VA 23218.   |
|  | Administrative Letter 1983-7              | Must include the name and individual NAIC number of the company for which the filing is made.   |
| Foldus   |   | を持たいのでは、「「「「「「「」」」というでは、「「」」というです。「「」」というです。「「」」というです。「「」」というです。「「」」というです。「「」」というです。「「」」というです。「「」」という 「」」というです。「」」というです。「」」というできまり、「」」というです。「」」というできまり、「」」というです。「」」というできまり、「」」というです。「」」というできまり、「」」というできまり、「」」というです。「」」というできまり、「」」というできまり、「」」というできまり、「」」というでは、「」」というでは、「」」というでは、「」」というでは、「」」というでは、「」」というでは、「」」というでは、「」」というでは、「」」というでは、「」」というでは、「」」というでは、「」」というでは、「」」というでは、「」」というでは、「」」というでは、「」」というでは、「」」というでは、「」」というでは、「」」」というでは、「」」というでは、「」」」というでは、「」」」というでは、「」」」というでは、「」」」というでは、「」」」というでは、「」」」というでは、「」」」」というでは、「」」」というでは、「」」」というでは、「」」」というでは、「」」」というでは、「」」」というでは、「」」」」。「」」」、「」」」」、「」」」、「」」」、「」」、「」」」、「」 |
| Form number  | 14 VAC 5-100-50 1                         | Form number must appear in lower left-hand corner of first page of each form.   |
| Company name & address   | 14 VAC 5-100-50 2                         | Full and proper corporate name (including "Inc.") must prominently appear on cover sheet of   |
| •  |   | all policies and other forms. Home office address of insurer must prominently appear on   |
|  |   | each policy.  |
| Final form   | 14 VAC 5-100-50 3                         | Form must be submitted in the final form in which it will be issued and completed in "John  |
|  |   | Doe Tashion to Indicate its interided use.  |
| Application  | 14 VAC 5-100-50 4                         | Any policy, which is to be issued with an attached application, must be filed with a cupy of the application completed in "Toba Doe" fashion to indicate its intended use— (If application  |
|  |   | was previously approved, advise date of approval.)  |
| Type Size  | 14 VAC 5-100-50 5                         | Individual Accident and Sickness forms must be printed with type size of at least ten-point   |
|  |   | type. All other forms must be printed with type size of at least eight-point.   |
| Arbitration  | § 38.2-312                                | Contract may not deprive courts of Virginia jurisdiction in actions against insurer. Arbitration  |
|  |   |   |
| Fraud Notice   | § 38.2-316 D 1                            | Title 38.2 of the Insurance Code does not define "Insurance Fraud". Any notice regarding  |
|  |   | insurance fraud is in non-compliance with this section of the Code. Variations in a notice  |
|  |   | warning of consequences of making fraudulent statements are acceptable. The notice may  |
|  |   | disclose that it does not apply in Virginia or may disclose states where applicable.  |

Individual Long-Term Care Applications Virginia 1st Edition July 2001 Page 1 of 4 Updated:



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|  | § 38.2-305 A 1             | Parties to contract must be named. (Provide for name of issuer, applicant(s), policyowner.)  |
| Prohibited statements  | § 38.2-316 D 3             | No form should contain any statement or question, which has the potential or capacity to encourage misrepresentation.  |
| Medicaid eligibility   | § 38.2-508.3               | Can't use Medicaid status as an insurability factor.   |
| Inquiry for prior adverse  | § 38.2-611                 | Any questions regarding prior adverse underwriting decisions must also inquire as to the   |
| underwriting decisions   |                            | reason for the adverse underwriting decisions.   |
| Applicant/Agent certification  | \$ 38.2-3402               | Certification by applicant and agent required with signature lines.  |
| Direct Response  | 14 VAC 5-90-60 C 3         | The disclosures contained therein must appear in all direct response applications whenever   |
|  |                            | applicable.  |
|  | 14 VAC 5-200-65 A 2        | Specific provisions for payroll or pension deduction plan.   |
|  | 14 VAC 5-200-80 B 1        | Provides for listing of medications when applicable.   |
|  | 14 VAC 5-200-80 C 1        | Caution notice near applicant's signature.   |
|  | 14 VAC 5-200-110 A         | Questions for applicant.   |
|  | 14 VAC 5-200-110 B         | Statements for agents.   |
|  | 14 VAC 5-200-175 C 2       | Long-term care insurance personal worksheet must accompany application.  |
| निर्माधनम् नीदर्वनिष्डमार्के<br>द्वित्यादिनान्तर्भितिकाः क्रांग्रीस्निर्मित् |                            |  |
| Full notice of information practices   | § 38.2-604 B 1             | information  |
|  |                            | than an individual proposed for coverage.  |
|  | § 38.2-604 B 2             | The notice must specify the types of personal information that will be collected and the   |
|  |                            | types of sources and investigative techniques that may be used.  |
|  | § 38.2-604 B 3             | The notice must specify the types of disclosures identified in § 38.2-613 and the  |
|  | § 38.2-613                 | circumstances under which disclosures may be used without prior authorization.   |
|  | § 38.2-604 B 4             | The notice must contain a description of the rights established under §§ 38.2-608 and 38.2-  |
|  | § 38.2-608<br>  § 38.2-609 | 609 and the manner in which those rights may be exercised.   |
|  | § 38.2-604 B 5             | The notice must disclose that information obtained by the insurance-support organization   |
|  |                            | may be retained by them and disclosed to other persons.  |
| Abbreviated notice of information  | § 38.2-604 C 1             | Personal information may be collected from persons other than an individual proposed for   |
| חומפות   |                            | coverage.  |
|  | § 38.2-604 C 2             | Information, as well as other personal or privileged information, in certain circumstances, may be disclosed to third parties without authorization.   |
|  | 8 38 2-604 C 3             | A right of access and correction exists with respect to all personal information collected   |
|  | § 38.2-604 C 4             | The notice prescribed in § 38.2-604 B will be furnished to the applicant or policyholder upon  |
|  | § 38.2-604 B               | request.   |

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| a continue main material       | A Complete State |  |
|--------------------------------|------------------|--|
| Authorization form contents    | § 38.2-606 1     | The authorization must be written in plain language.   |
|                                | § 38.2-606 2     | The authorization must be dated.   |
|                                | § 38.2-606 3     | The authorization must specify the types of persons authorized to disclose information         |
|                                |                  | about the individual.  |
|                                | \$ 38.2-606 4    | The authorization must specify the nature of the information authorized to be disclosed.       |
|                                | § 38.2-606 5     | The authorization must identify the insurance institution and by generic reference             |
|                                | 1                | representatives of the insurance institution to whom the individual is authorizing information |
| ,                              |                  | to be disclosed.   |
|                                | § 38.2-606 6     | The authorization must specify the purpose(s) for which the information is collected.          |
|                                | § 38.2-606 7     | The authorization must specify the length of time such authorization shall remain valid.       |
|                                | 8 38.2-606 8     | The authorization must advise the individual or a person authorized to act on behalf of the    |
|                                |                  | individual that the individual or the individual's authorized representative is entitled to    |
|                                |                  | receive a copy of the authorization form.  |
| Investigative consumer reports | § 38.2-607 A 1   | The authorization must state that the individual may request to be interviewed in connection   |
|                                |                  | with the preparation of the report.  |
| -                              | § 38.2-607 A 2   | The authorization must state that upon a request, pursuant to § 38.2-608, the individual is    |
|                                |                  | entitled to receive a copy of the report.  |

Assesse to Asimitarisative Latinas, Asimitabative Orders Ragidatic and Lave to eventable at THE WORM SELECTED SERVICE OF THE PROPERTY OF T The Life and Health Division, Forms and Rates Section handies individual long-term care applications. Please contact this section at (804) 371-9110 if you have questions or need additional information about this line of insurance.

I hereby certify that I have reviewed the attached individual long-term care application filing and determined that it is in compliance with the individual

long-term care checklist.

Signed: Whith

Name (please print): Tammy Smasal

Company Name: Allianz Life Insurance Company of North America

Date: May 21, 2003 Phone No: 800/328-5601 Ext. 32804 FAX No: 763/582-6495

E-Mail Address: tammy smasal@allianzlife.com

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Updated:

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# TAX-QUALIFIED LONG TERM CARE INSURANCE POLICY

This Contract is intended to qualify for favorable federal tax treatment. As such, it must meet certain federal standards, in addition to all applicable standards in the state in which this Contract was issued or issued for delivery. If you have any questions regarding the tax qualifications of this Contract, you should direct such questions to the appropriate federal agency, or you should contact your tax advisor.

We promise to pay the benefits described in this Contract, subject to all of its provisions. We make this promise and issue this Contract in consideration of the statements made in your signed application and your payment of the initial premium.

### Renewal Conditions

THIS QUALIFIED LONG TERM CARE INSURANCE CONTRACT IS GUARANTEED RENEWABLE. To renew this Contract, you must pay the premium due by the premium due date or within the Grace Period or Unintended Lapse Protection extension. We cannot refuse to renew this Contract if the premium is paid on time. Premium rates are guaranteed not to change for the first five Policy Years. After the fifth Policy Year, the Company may change the premium rates for this Contract only if we base the premium change, by Class for everyone in your state, on the experience of this form. Any premium change will occur on the Policy Anniversary. We will notify you in writing at least 60 days before your premium changes.

# Thirty Day Review Period

You may return this Contract within 30 days after receiving it if you are dissatisfied for any reason. You may return it to the agent from whom it was purchased or the Company. We will void this Contract and mail a refund of the premium you paid within 10 days of receipt.

# Read This Contract Carefully

It is a legal contract between you and the Company.

# **Notice to Buyer**

This Contract may not cover all of the costs associated with long term care incurred by you during the period of coverage. You are advised to carefully review all limitations.

# This Contract is Not a Medicare Supplement Contract

If you are eligible for Medicare, you may request the Guide to Health Insurance for People with Medicare available from us.

# Check Your Application

Caution – This Contract may not apply when you have a claim! Please read! The issuance of this long term care insurance Contract is based upon your responses to the questions on your application. A copy of your application is attached. If your responses are incorrect or untrue, we may deny benefits or rescind this Contract, subject to the Incontestability provision under the General Policy Provisions section. The best time to clear up any questions is now, before a claim arises! If, for any reason, any of your responses are incorrect, write or call us at [5701 Golden Hills Drive, Minneapolis, MN, 55416-1297 or 800/729-8505].

# **Effective Date**

This Contract begins at 12:01 AM on the Effective Date shown on the Policy Schedule. This Contract ends at 12:01 AM according to the terms of this Contract.

Signed for the Company at Its Home Office on the Date of Issue Gezanne Ofenin

[Suzanne J. Pepin] [Senior Vice President, Secretary and Chief Legal Officer] Child Further

[Charles Kavitsky] [President]

# **GUIDE TO POLICY BENEFITS AND PROVISIONS**

A summary of your benefits follows. Please refer to the Policy Schedule for a list of the Riders which provide you with additional benefits.

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# **GENERAL POLICY PROVISIONS**

# Entire Contract; Changes

The Entire Contract consists of this policy, the attached copy of the application, any attached Endorsements, and any attached Riders. We have issued this Contract in consideration of the application and initial premium. All statements made by you are considered representations and not warranties. Only our President together with our Secretary have the authority to make any changes in this Contract. No agent has authority to change this Contract or waive any of its provisions. Any Rider, Endorsement, or application which modifies, limits, or excludes coverage under this Contract must be in writing and signed by you, the insured, to be valid, except for those modifications required by law.

# Incontestability

We issued this Contract based on the information you provided in the application. Any misrepresentation may cause this Contract to be voided or rescinded, or a claim to be denied.

If this Contract has been In Force for less than 6 months, upon a showing of misrepresentation that is material to the acceptance of coverage, we may rescind this Contract or deny an otherwise valid claim on this Contract.

If this Contract has been In Force for at least 6 months, but less than 2 years, upon a showing of misrepresentation that is both material to the acceptance of coverage and that pertains to the condition for which benefits are sought, we may rescind this Contract or deny an otherwise valid claim on this Contract.

After this Contract has been In Force for 2 years, it is not contestable upon the grounds of misrepresentation alone. After 2 years, this Contract may be contested only upon a showing that you knowingly and intentionally misrepresented relevant facts relating to your health.

# Conformity with State Laws

Any provision of this Contract which, on its Effective Date, conflicts with the laws of the state in which you reside on that date is amended to conform to the minimum requirements of those laws.

### Misstatement of Age

If your age was understated on the application, we will pay only such benefits as the premium paid would have purchased at the correct age. If your age was overstated on the application, we will refund any excess premium paid when we have been notified of this fact. Our liability is limited to refunding premium paid, if according to the correct age, this Contract would not have been issued.

This section provides the meaning of special terms used throughout this Contract. Most of these terms are capitalized throughout this Contract to help you easily recognize them. Provision titles, section titles and terms used on the Policy Schedule are also capitalized for your convenience.

# We, Our, Us or the Company

Allianz Life Insurance Company of North America (whether these terms are capitalized or not).

# You, Your or Yourself

The person who is insured under this Contract, as shown on the Policy Schedule, and is solely entitled to exercise all rights of this Contract (whether these terms are capitalized or not).

# Activities of Daily Living, ADLs

See the Eligibility for the Payment of Benefits section.

# **Adult Day Care**

A program of services that includes:

- care for six or more individuals;
- health-related services;
- Maintenance or Personal Care Services; and
- recreational and social services provided during the day in a community group setting.

The purpose of such a program is to support frail, impaired, elderly, or other disabled adults who are not capable of full-time independent living, but do not require 24-hour institutional care and can benefit from care in a group setting outside the Home.

# **Assisted Living Facility**

A facility licensed or certified with the appropriate state agency to provide the care described below, or, if not licensed or certified, a facility which is engaged primarily in providing ongoing care and related services in one location, and which meets all of the following criteria:

- has at least one trained staff member on duty 24 hours per day;
- · provides continuous room and board;
- provides Maintenance or Personal Care Services required by residents due to their inability to perform the Activities of Daily Living or due to a Severe Cognitive Impairment;
- has formal arrangements for the services of a Physician or RN in case of an emergency; and
- has formal procedures in place to manage all medical emergencies and medical needs, including the handling and dispensing of prescription and non-prescription drugs and medical treatments.

Assisted Living Facilities do not include Hospitals or facilities otherwise excluded in this Contract.

# **Beneficiary**

The person or persons or entity named on the application, if any, unless later changed in writing; or the person or persons or entity designated as such in a written notice to us. The Beneficiary, or your estate if no Beneficiary has been designated, will receive any unassigned benefit payments, unearned premium, or any Rider benefits due upon your death.

## **Benefit Period**

The Benefit Period is shown on the Policy Schedule.

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|-----|------|-----|----|
|-----|------|-----|----|

Cancel, Cancelled, or Cancellation

The Termination of this Contract, per your written request. Cancellation is effective upon receipt of such request or on such later date specified in the request.

Chronically III, Chronic Illness

See the Eligibility for the Payment of Benefits section.

Class

A population segment with similar characteristics such as issue age, underwriting and rating classification, elected benefit options, or Elimination Period.

Contract

This policy, the attached copy of the application, any attached Endorsements, and any attached Riders are the Contract.

**Effective Date** 

The date when coverage starts under this Contract. It is shown on the Policy Schedule. This date determines Policy Anniversaries and Policy Years.

**Elimination Period** 

The period of time that must be satisfied before we will pay you benefits and is the number of days in which you:

- must be Chronically III;
- are receiving care in either a Nursing Facility or Assisted Living Facility, or are receiving Home and Community Care; and
- · are not receiving Benefit Payments under this Contract.

The Elimination Period is shown on the Policy Schedule. Each day of covered services under this Contract counts toward the Elimination Period. The Elimination Period must only be satisfied once in your lifetime.

**Endorsement** 

An attachment to this policy that may provide an additional benefit or amend this Contract.

**Facility Care** 

Care provided to you in a Nursing Facility or an Assisted Living Facility.

Facility Care Daily Benefit

The dollar amount elected by you and shown on the Policy Schedule.

Home

Any place where you reside. A Home is not a Nursing Facility, Assisted Living Facility, Alzheimer's facility, hospice facility, or Hospital.

Home and Community Care

A program of services provided to you through Adult Day Care, Home Health Care, or Hospice Care.

Home and Community Care Daily Benefit

The dollar amount elected by you and shown on the Policy Schedule.

**Home Health Aide** 

A person, other than an RN or nurse, who provides Maintenance or Personal Care Services under the supervision of a Home Health Care Agency. A Home Health Aide must be duly licensed or certified under state law, if any; and acting within the scope of his or her license or certification at the time the treatment or service is performed.

### Home Health Care

A program of medical and nonmedical services provided to ill, disabled, or infirm persons in their Home through a Home Health Care Agency. This includes professional nursing care by or under the supervision of an RN or nurse, care by a Home Health Aide, therapeutic care services by or under the supervision of a speech, occupational, physical, or respiratory therapist licensed under state law, if any, or incidental Homemaker Services.

# Home Health Care Agency

A Hospital, agency, or other provider licensed, certified, or accredited under state law, if such licensing or accreditation is required, to provide Home Health Care.

### **Homemaker Services**

Services or assistance with activities that are necessary to support your ability to remain in your Home, including assisting you with using the telephone, managing medications, moving about outside, shopping for essentials, preparing meals, doing your laundry, and light housekeeping. Such services must be:

- · outlined in the Plan of Care;
- performed by the same individual providing Maintenance or Personal Care Services;
- · incidental to the Maintenance or Personal Care Services; and
- provided during the same visit.

# Hospital

An institution or facility that is:

- licensed as a Hospital by the proper authority of the state in which it is located; or
- accredited as a Hospital by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO); or
- operated as a Hospital pursuant to law.

# **Hospice Care**

Services provided in the event that you are diagnosed with a terminal disease. Hospice Care helps you, your primary caregiver and your family member(s) with the physical, social, and spiritual needs brought about by your terminal illness.

### Immediate Family Member

Includes your spouse; and your spouse's or your: daughter, daughter-in-law, son, son-in-law, parent, sister, brother, grandparent or grandchild.

# In Force

The period between the Effective Date and Termination of this Contract.

# Informal Caregiver

Any person designated by you to assist in the proper use and care of a therapeutic device or caregiving procedure. A person who is paid to care for you under this Contract cannot be an Informal Caregiver.

# Lapse, Lapses, or Lapsed

Termination of this Contract due to insufficient premium payment. Refer to the Grace Period and Unintended Lapse Protection provisions under the Policy Administration section.

# Licensed Health Care Practitioner

A person who is a Physician (as defined in section 1861(r)(1) of the Social Security Act), a Registered Professional Nurse, or a Licensed Social Worker.

The Licensed Health Care Practitioner must not be an Immediate Family Member.

### Licensed Social Worker

A person who is licensed by the state, if required, and acting within the scope of his or her professional responsibilities when providing an assessment indicating that you are Chronically III.

We will not recognize you or an Immediate Family Member as a Licensed Social Worker for claims that you make to us under this Contract.

# Loss of Functional Capacity

The inability to perform the prescribed ADLs without the Substantial Assistance of another person.

# Maintenance or Personal Care Services

Services provided primarily to give needed assistance to you as a result of your being Chronically III. "Personal care" means the provision of hands-on services (Substantial Assistance) to assist you with the Activities of Daily Living. "Maintenance" means continual supervision (Substantial Supervision) to protect you from threats to health or safety due to a Severe Cognitive Impairment.

# Maximum Lifetime Benefit

The total amount we will pay in your lifetime for all benefits (other than the Waiver of Premium Benefit) provided by this Contract. The Maximum Lifetime Benefit is shown on the Policy Schedule. The Maximum Lifetime Benefit is calculated as the Facility Care Daily Benefit times the Benefit Period (in years) times 365.

### Medicare

The program under the Health Insurance for the Aged Act, Title XVIII of the Social Security Amendments of 1965 and any later amendments or substitutes thereof.

# **Nursing Facility**

A facility or institution, either separate or a distinct part of another health care facility, other than a Hospital, which is licensed or certified by the appropriate state agency to provide the following such care as described:

- provides an organized, 24-hour program of services consistent with the needs of its residents under the supervision of a Physician;
- provides medical and nursing services, as needed, under the supervision of a Physician or RN; and
- maintains a daily medical record on each patient.

# Nursing Facility does not include:

- convalescent homes, board and rest homes, homes for aged, residential care facilities, domiciliary and retired care facilities, or training centers; or
- government or veterans' facilities or any other facility where the patient is not required to pay.

# **Physician**

### A person who:

- is licensed to practice medicine and surgery and prescribe and administer drugs;
- is legally qualified as a medical practitioner and required to be recognized, under this Contract for insurance purposes, according to applicable state insurance laws; or
- meets the requirements of section 1861(r)(1) of the Social Security Act.

We will consider a person to be a Physician only when the person is performing tasks that are within the limits of the person's medical license, and such tasks are appropriate to the care of your Chronic Illness. We will not recognize you or an Immediate Family Member as a Physician for claims that you make to us under this Contract.

# Plan of Care

A written plan prescribed by a Licensed Health Care Practitioner developed in consultation with you, based upon an assessment indicating that you are Chronically III. The Plan of Care should recommend the frequency and type of Qualified Long Term Care Services most suitable to meet your need for Substantial Assistance or Substantial Supervision, and the most appropriate providers for such services. A Plan of Care must be confirmed in writing at least annually, or as often as reasonably necessary when changes to your Chronic Illness necessitate revisions to the Plan of Care to ensure your needs continue to be appropriately met. All Qualified Long Term Care Services covered under this Contract must be consistent with the Plan of Care.

# **Policy Anniversary**

The day and month that corresponds to the day and month of the Effective Date that occurs on the same day and month in a specified year. The Effective Date is shown on the Policy Schedule.

### **Policy Schedule**

The Policy Schedule shows specifics concerning Policy Benefits, Rider Benefits, Endorsement Benefits, Cost of Benefits, Premium Summary, and General Benefit Information.

# **Policy Year**

The period starting on a Policy Anniversary and ending on the day before the next Policy Anniversary. This is prior to Termination of this Contract.

# Qualified Long Term Care Services

Necessary diagnostic, preventive, therapeutic, curing, treating, mitigating, and rehabilitative services and Maintenance or Personal Care Services, which are required by a Chronically III individual and provided pursuant to a Plan of Care prescribed by a Licensed Health Care Practitioner.

# Registered Professional Nurse, RN

A duly licensed registered nurse acting within the scope of his or her license at the time the treatment or service is performed.

We will not recognize you or an Immediate Family Member as a Registered Professional Nurse for claims that you make to us under this Contract.

# Reinstate, Reinstated, or Reinstatement

To restore coverage after this Contract has Lapsed or as described in the Reinstatement provision under the Policy Administration section.

### Renewal Premium

The Total Modal Premium due, based on the Mode of Payment, to keep this Contract In Force. The Total Modal Premium and the Mode of Payment are shown on the Policy Schedule.

# Respite Care

Short term Maintenance or Personal Care Services to relieve an Informal Caregiver who is providing care to you in your Home.

# Rider

An attachment to this policy that provides an additional benefit.

# Severe Cognitive Impairment

See the Eligibility for the Payment of Benefits section.

### **Substantial Assistance**

Hands-on assistance without which you would not be able to safely and completely perform the ADL. Hands-on assistance means the physical assistance (minimal, moderate, maximal) of another person.

# **Substantial Supervision**

Requiring continual supervision by another person to protect you or others from threats to health or safety as a result of a Severe Cognitive Impairment. Such supervision may include cueing by verbal prompting, gestures, or other similar demonstrations.

# Termination, Terminate, Terminates, or Terminated

The date on which coverage under this Contract ends. Refer to the Termination provision under the Policy Administration section.

# **ELIGIBILITY FOR THE PAYMENT OF BENEFITS**

### **Benefit Payments**

Once you meet the Eligibility for Benefits and Limitations or Conditions on Eligibility for Benefits provisions below, we will pay up to the Facility Care Daily Benefit or Home and Community Care Daily Benefit for actual expenses incurred.

# **Eligibility for Benefits**

To be eligible for the benefits shown on the Policy Schedule and in this Contract, you must be Chronically III. You must provide proof of such Chronic Illness as shown in the Claim Procedures section.

# Limitations or Conditions on Eligibility for Benefits

To be eligible for Benefit Payments, you must meet the Eligibility for Benefits provision above, in addition to the following:

- this Contract must be In Force;
- you must have satisfied the Elimination Period; and
- you must be receiving Qualified Long Term Care Services pursuant to a Plan of Care prescribed by a Licensed Health Care Practitioner.

# Chronically III, Chronic Illness

You are Chronically III if you have been certified, within the previous 12 months, by a Licensed Health Care Practitioner as:

- being unable to perform without Substantial Assistance at least 2 ADLs and Substantial Assistance is expected to be required for a period of at least 90 continuous days due to a Loss of Functional Capacity; or
- requiring Substantial Supervision to protect yourself from threats to health and safety due to a Severe Cognitive Impairment.

# Activities of Daily Living, ADLs

ADLs are the following:

- Bathing. Washing yourself by sponge bath, or in either a tub or shower, including the task of getting into or out of the tub or shower.
- Continence. The ability to maintain control of bowel and bladder function, or, when
  unable to maintain control of bowel or bladder function, the ability to perform associated
  personal hygiene, including caring for a catheter or colostomy bag.
- Dressing. Putting on and taking off all items of clothing and any necessary braces, fasteners, or artificial limbs.
- Eating. Feeding yourself by getting food into your body from a receptacle (such as a plate, cup or table), or by feeding tube or intravenously.
- Toileting. Getting to and from the toilet, getting on and off the toilet, and performing associated personal hygiene.
- · Transferring. Moving into or out of a bed, chair, or wheelchair.

# Severe Cognitive Impairment

The deterioration or loss of your intellectual capacity which is confirmed by a Physician and measured by clinical evidence and standardized tests that reliably measure your impairment in:

- short or long term memory;
- orientation as to people (such as who you are), places (such as where you are), or time (such as day, date and year);
- judgement as it relates to safety awareness, which requires supervision or verbal cueing by another person to protect yourself and others; or
- deductive or abstract reasoning.

Coverage is provided for Alzheimer's Disease and forms of senility and irreversible dementia that result in a Severe Cognitive Impairment.

# **GENERAL BENEFIT INFORMATION**

### **Benefits End**

Benefit Payments will end if we do not receive Continued Proof of Loss or on the earliest of:

- · the date on which you are no longer Chronically III;
- · the date this Contract Terminates; or
- the date the certification that you are Chronically III from your Licensed Health Care Practitioner expires.

# **Facility Care Benefit**

If you are eligible for Benefit Payments and are confined in a Nursing Facility or an Assisted Living Facility, we will pay up to the Facility Care Daily Benefit for each day of care received in the Nursing Facility or Assisted Living Facility. All benefits paid under the Facility Care Benefit accumulate toward the Maximum Lifetime Benefit.

# Home and Community Care Benefit

If you are eligible for Benefit Payments, we will pay up to the Home and Community Care Daily Benefit for covered Home and Community Care (Adult Day Care, Home Health Care, and Hospice Care) you receive, as long as you are not receiving Facility Care Benefits, and are not confined in a Hospital. All benefits paid under the Home and Community Care Benefit accumulate toward the Maximum Lifetime Benefit; however, the maximum daily amount of benefits accumulated will not exceed the Facility Care Daily Benefit amount.

# Alternative Plan of Care Benefit

The Alternative Plan of Care Benefit provides benefits for services which may include: equipment purchases or rentals; permanent or temporary modifications to your Home (such as ramps or rails); or care services not normally covered under other benefit provisions in this policy. We reserve the right to make the final decision on any request for the Alternative Plan of Care Benefit.

We will pay the Alternative Plan of Care Benefit if:

- · you meet the Eligibility for Benefits provision;
- you, your Licensed Health Care Practitioner, and we agree the Alternative Plan of Care Benefit is: (a) medically acceptable; and (b) the most cost efficient manner in which to provide benefits for your claim under this Contract;
- · you have not exhausted the Maximum Lifetime Benefit; and
- you agree that you will not receive payments for any other benefits under this Contract
  while the Alternative Plan of Care Benefit is being paid, unless otherwise agreed to by
  you and us.

If the Elimination Period has not been satisfied, the remaining days needed to satisfy the Elimination Period will be multiplied by the Facility Care Daily Benefit and subtracted from the amount payable for the Alternative Plan of Care Benefit. All benefits paid under the Alternative Plan of Care Benefit accumulate toward the Maximum Lifetime Benefit.

# **Bed Reservation Benefit**

If you are eligible for Benefit Payments, we will continue to pay the Facility Care Daily Benefit as if you were still confined in the Nursing Facility or the Assisted Living Facility if you:

- become hospitalized or temporarily leave the Nursing Facility or the Assisted Living Facility; and
- are billed by the Nursing Facility or the Assisted Living Facility to reserve your accommodations.

All benefits paid under the Bed Reservation Benefit accumulate toward the Maximum Lifetime Benefit. This benefit is payable for a maximum of 60 days per calendar year.

# **GENERAL BENEFIT INFORMATION**

# Caregiver Training Benefit

If you meet the Eligibility for Benefits provision, we will pay up to the Maximum Caregiver Training Benefit (five times the Facility Care Daily Benefit) shown on the Policy Schedule for expenses incurred for an Informal Caregiver to receive training to take care of you in your Home.

All benefits paid under the Caregiver Training Benefit accumulate toward the Maximum Lifetime Benefit. The Elimination Period does not apply to this benefit and days of caregiver training will not be used to satisfy the Elimination Period.

# Respite Care Benefit

If you meet the Eligibility for Benefits provision, we will pay Respite Care Benefits for:

- the actual daily charges you incur for each day of care received in a Nursing Facility or an Assisted Living Facility, up to the Facility Care Daily Benefit; or
- the actual expenses you incur for each day you receive Home and Community Care, up to the Home and Community Care Daily Benefit.

All benefits paid under the Respite Care Benefit accumulate toward the Maximum Lifetime Benefit. The Elimination Period does not apply to this benefit and days of respite care will not be used to satisfy the Elimination Period. The Respite Care Benefit is payable for a maximum of 30 days per calendar year.

# Nursing Facility Recovery Benefit

This Contract is paid up if:

- Facility Care Daily Benefits are paid for at least 12 continuous months, due to a confinement in a Nursing Facility; and
- · You are no longer Chronically III.

# Waiver of Premium Benefit

If you are eligible for Benefit Payments and the Elimination Period has been satisfied, we will waive your premium as it comes due.

We will continue to waive each premium that comes due according to the Mode of Payment in effect at the time you become eligible for this benefit, as long as you continue to be Chronically III. Once you recover and are no longer Chronically III, you must pay each premium that comes due according to the Mode of Payment currently in effect.

# Care Coordination Advisor Benefit

If you choose, we will provide you with access to care management professionals who will work with you, your family member(s), and your Licensed Health Care Practitioner to determine and monitor your care, including assessment of your situation and investigation of available care resources. This may include assistance developing and monitoring a Plan of Care with you, your family member(s), and your Licensed Health Care Practitioner. This service is not required for you to obtain Benefit Payments under this Contract. This service will not accumulate toward the Maximum Lifetime Benefit.

# **CLAIM PROCEDURES**

This section describes our claims process and how to file a claim. We will evaluate your claim based upon the information you provide us and other information we gather about your claim.

### Notice of Claim

You, or someone acting on your behalf, must give us Notice of Claim for benefits within 30 days after the date of loss, or as soon as reasonably possible.

Write or call us at the address or telephone number shown on the first page of this policy to notify us of your claim. In order to sufficiently identify you, the written notice should include your name, policy number, and the address to which the Claim Form should be sent. It should be mailed to us at our Home Office, at the address shown on the first page of this policy.

### Claim Form

We, upon receipt of Notice of Claim, will send you a Claim Form within 15 days to use in filing the Proof of Loss or if needed to determine Continued Proof of Loss. By completing all the items on the Claim Form and sending the required information to the address on the form, you will help us to expedite the processing of your claim.

If you, or anyone acting on your behalf, do not receive our Claim Form within 15 days of notifying us, you may file the Proof of Loss without our Claim Form by sending us a letter which describes the character and extent of your Chronic Illness within the time limit stated in the below Proof of Loss provision.

# **Proof of Loss**

You will be considered to have provided Proof of Loss when we receive a Claim Form or a letter (as described in the Claim Form provision above) with any applicable statements and bills for covered care services which include the date, nature, and charges for all services.

Proof of Loss for a continuing loss for which we provide periodic payment must be sent to us within 90 days after the end of each period for which we are liable. Proof of Loss for any other loss must be sent to us within 90 days after the date of such loss. If it is not possible to give us timely Proof of Loss, we will not reduce or deny your claim if Proof of Loss is filed as soon as you reasonably can provide the information to us. Unless you are not legally capable, the required Proof of Loss must be given to us no later than one year from the date Proof of Loss would have otherwise been required.

In order to verify that you are eligible for Benefit Payments, one or more of the following, relating to your Chronic Illness, may also be required at our expense:

- a Physician's statement and/or copies of relevant medical records from any Physician or health care provider involved in your care; and
- · any other such proof, as we may deem necessary.

# **Continued Proof of Loss**

Once we have verified that you are eligible for Benefit Payments, you must submit statements and bills for covered care services each month. We will request, at least annually or as often as reasonably necessary, a completed supplemental Claim Form, which will include a request for an updated Plan of Care. The information submitted on a monthly basis and the information requested at least annually is subject to the time limits stated in the above Proof of Loss provision. At our expense, we may also require one or more of the following:

- a Physician's statement and/or copies of relevant medical records from any Physician or health care provider involved in your care; and
- any other such proof, as we may deem necessary.

# **CLAIM PROCEDURES**

# Time of Payment of Claims

Benefits will be paid immediately after we receive and verify Proof of Loss or Continued Proof of Loss, and will continue until the Maximum Lifetime Benefit is exhausted. If we do not pay benefits upon receipt of written Proof of Loss, we will provide timely notice to you in writing to explain our reasons for not paying the claim, either in whole or in part. The letter will also provide you with a written itemization of any documents or other information needed to process the claim or any portion(s) not paid.

# **Payment of Claims**

All benefits are paid to you or your assignee. Any benefits unpaid at your death will be paid to your Beneficiary.

# Overpayment of Claims

If, for any reason, benefits have been overpaid, you have the responsibility to return any overpayments. We have the right to recover by offsetting against any amounts otherwise payable to you under this Contract.

### **Unpaid Premium**

Any premium due and unpaid will be deducted from the claim payment when the claim is paid.

# Physical Examination

We, at our expense, have the right to have you examined to determine your Eligibility for Benefits when and as often as reasonably necessary during the pendency of a claim.

We, at our expense, may also require a personal interview with you or an assessment of you, relating to your Chronic Illness, in order to verify that you are eligible for Benefit Payments.

# Claim Appeal Procedure

If you believe that our claim decision is in error, you may appeal our decision and we will reconsider your claim. Send us a written request (no special form is required) explaining why you feel we should change our decision. Your written request must be submitted within 60 days, or as soon as reasonably possible, of your receipt of the explanation of benefits of your claim. You may authorize someone else to act for you in this process.

Your written request should include your name and policy number as well as the names, addresses and telephone numbers of any persons or organizations you believe we should contact to learn more about the claim under reconsideration.

Once we have completed our review, we will notify you immediately of our decision. We will pay you any benefits we determine to be due to you as a result of our reconsideration. This notification will be sent to you no later than 30 days after receipt of your written request for appeal. If we require more than 30 days, we will notify you of the reasons for the delay. Our final decision on your appeal does not prevent you from taking further action.

# **Legal Action**

No Legal Action may be brought to recover benefits under this Contract within 60 days after Proof of Loss has been given. No action may be brought more than 3 years after the time Proof of Loss is required to be given.

# **Payor of Last Resort**

The Department of Medical Assistance will be the Payor of Last Resort.

# POLICY ADMINISTRATION

This section describes premium payment requirements and Reinstatement of this Contract should it Lapse.

# **Paying Premiums**

Renewal Premiums are due at the beginning of each Mode of Payment interval from the Effective Date. Payments are to be made to us. You may change the Mode of Payment if you notify us.

### **Grace Period**

This Contract has a 30-day Grace Period. This means that if a Renewal Premium is not paid on or before the date it is due, it may be paid during the following 30 days. This Contract will stay In Force during the Grace Period.

# Unintended Lapse Protection

You have the right to elect a third party designee for us to notify before this Contract Terminates due to nonpayment of premium.

30 days after the Renewal Premium is due and unpaid, we will mail, by postage paid, first-class US mail, at the end of the Grace Period, a notice to you and your third party designee, if elected, stating that this Contract is about to Lapse. Notice is considered to have been given as of 5 days after the date of mailing. You have an additional 30 days beyond the date this notice was given to pay your premium. During this 30-day extension, this Contract is In Force. To keep this Contract In Force with no gap in coverage, you must pay your premium within this 30-day extension period. If your premium remains unpaid, this Contract will Terminate.

# Reinstatement

If this Contract Lapses, you may request to Reinstate this Contract, within 5 months of the date of Lapse, by submitting an application to determine your eligibility for Reinstatement. You will be given a conditional receipt for any premium submitted with the application. If we do not approve your application, we will notify you in writing within 45 days from the date of your application and refund any premium that was submitted with the application. If we do not notify you within 45 days of our approval, this Contract will be Reinstated on the 45<sup>th</sup> day after the date of the conditional receipt. Your coverage will be Reinstated, subject to evidence of insurability and receipt of all past due and unpaid premiums.

This Contract will be Reinstated as of the last premium due date if we approve your application for Reinstatement and all premiums due are received. The Reinstated Contract will cover only loss due to an injury sustained after the date of Reinstatement and loss due to a sickness that begins more than 10 days after the Reinstatement. In all other aspects, your rights and ours will be the same as before this Contract Terminated, subject to any provisions endorsed or attached in connection with the Reinstatement.

# Reinstatement due to Chronic Illness

If this Contract Lapses due to nonpayment of premium due to a Chronic Illness that began before Lapse, you may request to Reinstate this Contract, within 5 months of the date of Lapse, by submitting:

- · proof of such Chronic Illness, certified by a Licensed Health Care Practitioner; and
- · payment of all past due premiums.

If we Reinstate this Contract after nonpayment of premium due to Chronic Illness:

- the Reinstatement will not require any evidence of insurability.
- there will be no gaps in coverage. Coverage will be a continuation of that provided prior to Reinstatement. This provision does not apply if this Contract has been Terminated due to any reason other than Lapse due to Chronic Illness.
- premium is due from the date of the last premium payment, at the rate which would have been in effect had this Contract remained In Force. Payment must be made within 15 days of our written request to you.

# **POLICY ADMINISTRATION**

### **Extension of Benefits**

Benefit Payments will be paid after Termination if:

- · you become Chronically III while this Contract is In Force; and
- your Chronic Illness continues without interruption after Termination.

Benefit Payments are limited to the benefits payable under this provision and are subject to all other provisions of this Contract.

### **Termination**

This Contract will Terminate and your coverage will end on the earliest of:

- · the date you have exhausted the Maximum Lifetime Benefit;
- · the date this Contract Lapses due to nonpayment of premium;
- · the date this Contract is Cancelled by you; or
- the date of your death.

# Cancellation by Insured

You may Cancel this Contract at any time by delivering or mailing written notice of Cancellation to us. Cancellation will be effective upon receipt of such notice or on such later date as may be specified in such notice. If this Contract is Cancelled, the following provisions do not apply: Grace Period, Unintended Lapse Protection, and Waiver of Premium Benefit. The Cancellation will be without prejudice to any claim originating prior to the effective date of such Cancellation.

# Return of Unearned Premium Upon Death

Upon your death, we will return any unearned premium for this Contract to your Beneficiary on a pro-rata basis. We will return this unearned premium within 30 days of receipt of proof of your death.

# Return of Unearned Premium Upon Cancellation or Termination

In the event that this Contract is Cancelled by you or Terminated by us, we will return any unearned premium for this Contract to you on a pro-rata basis. We will return this unearned premium within 30 days of the effective date of such Cancellation or Termination.

The effective date of the Cancellation is the later of:

- the date which you request the Cancellation in writing; or
- the date we receive your written request to Cancel this Contract in our Home Office.

# Change of Beneficiary

You may change the Beneficiary at any time by giving us written notice. A change will not be effective until recorded by us. Once recorded, the change will apply as of the date the request was signed. We will not be liable for any action taken or payment made before a Beneficiary change is recorded. The Beneficiary's consent is not required to change this Contract or the Beneficiary, unless the designation of the Beneficiary is irrevocable.

# **Duplicate Contract**

If you have misplaced this Contract and wish to request a duplicate copy, you will be assessed a fee of up to \$[25].

# LIMITATIONS AND EXCLUSIONS

This section tells you under what circumstances benefits are not payable even if you would otherwise qualify for benefits under this Contract.

# Limitations and Exclusions

No benefits will be paid for any confinement, care, treatment, or service(s):

- · for alcoholism or drug addiction.
- that result from participating in a felony, a riot or an insurrection.
- for which benefits are provided under any state or federal worker's compensation law.
- that result from an act of war, whether declared or not.
- that result from your intentionally self-inflicted injury.
- provided outside the fifty United States, the District of Columbia, or Canada[, except as described in the International Coverage Benefit Endorsement].
- provided to you by an Immediate Family Member.
- for which you have no financial liability or that are provided at no charge in the absence of insurance.
- provided in a government facility (unless otherwise required by law).
- that are reimbursable under Medicare or would be so reimbursable but for the application of a deductible or coinsurance amount.

# Allianz Life Insurance Company of North America [5701 Golden Hills Drive Minneapolis, MN 55416-1297]

[800/729-8505]

TAX-QUALIFIED LONG TERM CARE INSURANCE POLICY

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Allianz Life Insurance Company of North America [Home Office: Minneapolis, MN] [5701 Golden Hills Drive Minneapolis, MN 55416-1297 800/729-8505]



# OUTLINE OF COVERAGE FOR LONG TERM CARE INSURANCE POLICY FORM 10-P-Q-VA

# THE CONTRACT IS INTENDED TO QUALIFY FOR FAVORABLE FEDERAL TAX TREATMENT.

As such, it must meet certain federal standards, in addition to all applicable standards in the state in which the Contract was issued or issued for delivery. If you have any questions regarding the tax qualifications of the Contract, you should direct such questions to the appropriate federal agency, or you should contact your tax advisor.

<u>CAUTION</u>: The Contract may not apply when you have a claim! Please read! The issuance of the long term care insurance Contract is based upon your responses to the questions on your application. A copy of your application will be attached to the policy. If your responses are incorrect or untrue, we may have the right to deny benefits or rescind the Contract, subject to the policy's Incontestability provision. The best time to clear up any questions is now, before a claim arises! If, for any reason, any of your responses are incorrect, write or call us at the address or telephone number shown above.

**NOTICE TO BUYER:** The Contract may not cover all of the costs associated with long term care incurred by you during the period of coverage. You are advised to carefully review all limitations.

The Contract is an individual Contract of insurance.

Purpose of Outline of Coverage - This outline of coverage provides a very brief description of the important features of the Contract. You should compare this outline of coverage to outlines of coverage for other contracts available to you. This is not an insurance contract, but only a summary of coverage. Only the individual Contract contains governing contractual provisions. This means that the Contract sets forth in detail the rights and obligations of both you and the insurance company. Therefore, if you purchase this coverage, or any other coverage, it is important that you READ THE CONTRACT CAREFULLY!

Terms Under Which the Contract May Be Returned and Premium Refunded - If you are not satisfied with the Contract, you have 30 days to return it to us or the agent from whom it was purchased for a full refund of any premium you have paid. Upon your death, we will return any unearned premium for the Contract to your

Beneficiary, or to your estate if no Beneficiary has been designated, on a pro-rata basis. We will return this unearned premium within 30 days of receipt of proof of your death. If the Contract is Cancelled by you or Terminated by us, after 30 days, any unearned premium will be returned to you on a pro-rata basis. We will return this unearned premium within 30 days of the effective date of such Cancellation or Termination.

This Is Not Medicare Supplement Coverage - If you are eligible for Medicare, review the Guide to Health Insurance for People with Medicare available from us. Neither Allianz Life Insurance Company of North America nor its agents represent Medicare, the federal government, or any state government.

Long Term Care Coverage - Contracts of this category are designed to provide coverage for one or more necessary or medically necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services, provided in a setting,

other than an acute care unit of a Hospital, such as in a Nursing Facility, in the community, or in the Home. The Contract provides coverage for Qualified Long Term Care Services, subject to Contract provisions, limitations, exclusions, and the Elimination Period.

# BENEFITS PROVIDED BY THE POLICY

Covered Care - The Contract provides benefits for Qualified Long Term Care Services. This includes Facility Care provided in a Nursing Facility or an Assisted Living Facility and Home and Community Care, which provides benefits for Adult Day Care, Home Health Care, and Hospice Care. Benefits are also provided for Bed Reservation, Caregiver Training, Respite Care, Nursing Facility Recovery, Care Coordination Advisor, and an Alternative Plan of Care.

Elimination Period - This is the period of time that must be satisfied before benefits become payable under the Contract and is the number of days in which you: must be Chronically Ill; are receiving care in either a Nursing Facility or an Assisted Living Facility, or are receiving Home and Community Care; and are not receiving Benefit Payments under the Contract. You may choose an Elimination Period of 7, 30, 60, 90, or 180 days. Once you have satisfied the Elimination Period, no future Elimination Period is required. Days may be accumulated under separate claims in order to satisfy the Elimination Period.

Maximum Lifetime Benefit - This is the total amount we will pay in your lifetime for all benefits (other than the Waiver of Premium Benefit) provided by the Contract. The Maximum Lifetime Benefit is calculated as the Facility Care Daily Benefit times the Benefit Period (in years) times 365. The Facility Care Daily Benefit available ranges from \$100 to \$500 per day.

Facility Care Benefit - If you are eligible for Benefit Payments and are confined in a Nursing Facility or Assisted Living Facility, we will pay up to the Facility Care Daily Benefit elected on the application for each day of care received in the Nursing Facility or Assisted Living Facility.

Benefits paid accumulate toward the Maximum Lifetime Benefit. The Facility Care Daily Benefit and Maximum Lifetime Benefit are shown on the Policy Schedule.

Home and Community Care Benefit - If you are eligible for Benefit Payments, we will pay up to the Home and Community Care Daily Benefit elected on the application for covered Adult Day Care, Home Health Care, and Hospice Care, as long as you are not receiving Facility Care Benefits, and are not confined in a Hospital.

Home Health Care includes professional nursing care by or under the supervision of an RN or nurse; care by a Home Health Aide; therapeutic care services by or under the supervision of a speech, occupational, physical, or respiratory therapist licensed under state law, if any, or incidental Homemaker Services.

Benefits paid accumulate toward the Maximum Lifetime Benefit; however, the maximum daily amount of benefits accumulated will not exceed the Facility Care Daily Benefit amount. The Home and Community Care Daily Benefit and Maximum Lifetime Benefit are shown on the Policy Schedule.

**Bed Reservation Benefit** - If you are eligible for Benefit Payments, we will continue to pay the Facility Care Daily Benefit as if you were still confined in the Nursing Facility or Assisted Living Facility if you:

- become hospitalized or temporarily leave the Nursing Facility or Assisted Living Facility;
   and
- are billed by the Nursing Facility or Assisted Living Facility to reserve your accommodations.

Benefits paid accumulate toward the Maximum Lifetime Benefit. This benefit is payable for a maximum of 60 days per calendar year.

Caregiver Training Benefit - If you meet the Eligibility for Benefits provision, we will pay up to the Maximum Caregiver Training Benefit (five times the Facility Care Daily Benefit) shown on the Policy Schedule for expenses incurred for an Informal Caregiver to receive training to take care of you in your Home.

Benefits paid accumulate toward the Maximum Lifetime Benefit. The Elimination Period does not apply to this benefit and days of caregiver training will not be used to satisfy the Elimination Period.

Respite Care Benefit - If you meet the Eligibility for Benefits provision, we will pay the actual daily charges you incur for each day of care received in a Nursing Facility or an Assisted Living Facility, up to the Facility Care Daily Benefit elected, or the actual expenses you incur for each day you receive Home and Community Care, up to the Home and Community Care Daily Benefit elected.

Benefits paid accumulate toward the Maximum Lifetime Benefit. The Elimination Period does not apply to this benefit and days of respite care will not be used to satisfy the Elimination Period. The Respite Care Benefit is payable for a maximum of 30 days per calendar year.

Nursing Facility Recovery Benefit - The Contract is paid up if Facility Care Daily Benefits are paid for at least 12 continuous months, due to a confinement in a Nursing Facility, and you are no longer Chronically Ill.

Care Coordination Advisor Benefit - If you choose, we will provide you with access to care management professionals who will work with you, your family member(s), and your Licensed Health Care Practitioner to determine and monitor your care, including assessment of your situation and investigation of available care resources. This may include assistance developing and monitoring a Plan of Care with you, your family member(s), and your Licensed Health Care Practitioner. This service is not required for you to obtain Benefit Payments under the Contract. This service will not accumulate toward the Maximum Lifetime Benefit.

Alternative Plan of Care Benefit - An Alternative Plan of Care Benefit is available, if agreed to by you, your Licensed Health Care Practitioner, and us.

The Alternative Plan of Care Benefit provides benefits for services which may include: equipment purchases or rentals; permanent or temporary modifications to your Home (such as ramps or rails); or care services not normally covered under other benefit provisions. We reserve the right to make the final decision on any request for the Alternative Plan of Care Benefit.

Benefits paid accumulate toward the Maximum Lifetime Benefit.

# ELIGIBILITY FOR THE PAYMENT OF BENEFITS

Benefit Payments - Once you meet the Eligibility for Benefits and Limitations or Conditions on Eligibility for Benefits provisions, we will pay up to the Facility Care Daily Benefit or Home and Community Care Daily Benefit for actual expenses incurred. The Facility Care Daily Benefit and Home and Community Care Daily Benefit are shown on the Policy Schedule.

Eligibility for Benefits - To be eligible for benefits under the Contract, you must be Chronically Ill. You must provide proof of such Chronic Illness as shown in the Claim Procedures section of the policy.

Limitations or Conditions on Eligibility for Benefits – To be eligible for Benefit Payments, you must meet the Eligibility for Benefits provision in addition to the following:

- the Contract must be In Force;
- you must have satisfied the Elimination Period; and
- you must be receiving Qualified Long Term Care Services pursuant to a Plan of Care prescribed by a Licensed Health Care Practitioner.

# IMPORTANT DEFINITIONS

Activities of Daily Living (ADLs) are the following:

- Bathing. Washing yourself by sponge bath, or in either a tub or shower, including the task of getting into or out of the tub or shower.
- Continence. The ability to maintain control of bowel and bladder function, or, when unable to maintain control of bowel or bladder function, the ability to perform associated personal hygiene, including caring for a catheter or colostomy bag.

- Dressing. Putting on and taking off all items of clothing and any necessary braces, fasteners, or artificial limbs.
- Eating. Feeding yourself by getting food into your body from a receptacle (such as a plate, cup, or table), or by feeding tube or intravenously.
- Toileting. Getting to and from the toilet, getting on and off the toilet, and performing associated personal hygiene.
- Transferring. Moving into or out of a bed, chair, or wheelchair.

Chronically III means you have been certified, within the previous 12 months, by a Licensed Health Care Practitioner as:

- being unable to perform without Substantial Assistance at least 2 ADLs and Substantial Assistance is expected to be required for a period of at least 90 continuous days due to Loss of Functional Capacity; or
- requiring Substantial Supervision to protect yourself from threats to health and safety due to a Severe Cognitive Impairment.

Class means a population segment with similar characteristics such as issue age, underwriting and rating classification, elected benefit options, or Elimination Period.

Licensed Health Care Practitioner is a person who is a Physician (as defined in section 1861(r)(1) of the Social Security Act), a Registered Professional Nurse, or a Licensed Social Worker.

# Licensed Social Worker is a person who is:

- licensed by the state, if required; and
- acting within the scope of his or her professional responsibilities when providing an assessment indicating that you are Chronically Ill.

We will not recognize you or an Immediate Family Member as a Licensed Social Worker for claims that you make to us under the Contract. Loss of Functional Capacity is the inability to perform the prescribed ADLs without the Substantial Assistance of another person.

Maintenance or Personal Care Services are services provided primarily to give needed assistance to you as a result of your being Chronically Ill. "Personal care" means the provision of hands-on services (Substantial Assistance) to assist you with the Activities of Daily Living. "Maintenance" means continual supervision (Substantial Supervision) to protect you from threats to health or safety due to a Severe Cognitive Impairment.

# Physician is a person who:

- is licensed to practice medicine and surgery and prescribe and administer drugs;
- is legally qualified as a medical practitioner and required to be recognized as a Physician, under the Contract for insurance purposes, according to applicable state insurance laws; or
- meets the requirements of section 1861(r)(1) of the Social Security Act.

We will consider a person to be a Physician only when the person is performing tasks that are within the limits of the person's medical license, and such tasks are appropriate to the care of your Chronic Illness. We will not recognize you or an Immediate Family Member as a Physician for claims that you make to us under the Contract.

Qualified Long Term Care Services are necessary diagnostic, preventive, therapeutic, curing, treating, mitigating, and rehabilitative services and Maintenance or Personal Care Services, which are required by a Chronically Ill individual and provided pursuant to a Plan of Care prescribed by a Licensed Health Care Practitioner.

Registered Professional Nurse (RN) is a duly registered nurse acting within the scope of his or her license at the time the treatment or service is performed.

We will not recognize you or an Immediate Family Member as a Registered Professional Nurse for claims that you make to us under the Contract. Severe Cognitive Impairment is the deterioration or loss of your intellectual capacity which is confirmed by a Physician and measured by clinical evidence and standardized tests that reliably measure your impairment in:

- short or long term memory;
- orientation as to people (such as who you are), places (such as where you are), or time (such as day, date and year);
- judgement as it relates to safety awareness, which requires supervision or verbal cueing by another person to protect yourself and others; or
- · deductive or abstract reasoning.

Coverage is provided for Alzheimer's Disease and forms of senility and irreversible dementia that result in a Severe Cognitive Impairment.

Substantial Assistance means hands-on assistance without which you would not be able to safely and completely perform the ADL. Hands-on assistance means the physical assistance (minimal, moderate, maximal) of another person.

Substantial Supervision means requiring continual supervision by another person to protect you or others from threats to health or safety as a result of a Severe Cognitive Impairment. Such supervision may include cueing by verbal prompting, gestures, or other similar demonstrations.

# LIMITATIONS AND EXCLUSIONS

Limitations and Exclusions - No benefits will be paid for any confinement, care, treatment, or service(s):

- · for alcoholism or drug addiction.
- that result from participating in a felony, in a riot, or an insurrection.
- for which benefits are provided under any state or federal worker's compensation law.
- that result from an act of war, whether declared or not.
- that result from your intentionally self-inflicted injury.

- provided outside the fifty United States, the District of Columbia, or Canada [, except as described in the International Coverage Benefit Endorsement].
- provided to you by an Immediate Family Member.
- for which you have no financial liability or that are provided at no charge in the absence of insurance.
- provided in a government facility (unless otherwise required by law).
- that are reimbursable under Medicare or would be so reimbursable but for the application of a deductible or coinsurance amount.

# THE CONTRACT MAY NOT COVER ALL EXPENSES ASSOCIATED WITH YOUR LONG TERM CARE NEEDS.

Relationship of Cost of Care and Benefits - Because the costs of long term care services will likely increase over time, you should consider whether and how the benefits of this plan may be adjusted. The benefit levels of the basic Contract will not increase over time. For additional premium, you may purchase one of the optional Inflation Protection Riders described later in this outline.

Terms Under Which the Contract May Be Force Discontinued Continued In  $\mathbf{or}$ RENEWABILITY: CONTRACT THE GUARANTEED RENEWABLE. This means you have the right, subject to the terms of the Contract, to continue the Contract as long as you pay your Allianz Life Insurance premiums on time. Company of North America cannot change any of the terms of the Contract on its own, except that, in the future, IT MAY INCREASE THE PREMIUM YOU PAY.

Waiver of Premium - If you are eligible for Benefit Payments and the Elimination Period has been satisfied, we will waive your premium as it comes due. We will continue to waive each premium that comes due according to the Mode of Payment in effect at the time you become eligible for this benefit, as long as you continue to be Chronically Ill.

Grace Period - Except for the first premium, you will have 30 days after each due date to pay the premium due. If your premium is not paid by the 30th day of the Grace Period, we will notify you and an individual designated by you to receive notice of possible Lapse due to non-payment of premium. You have an additional 30 days beyond the date this notice was given to pay your premium. The Contract remains In Force during the Grace Period, as well as during the additional 30-day notice period beyond the Grace Period.

Terms Under Which the Company May Change Premiums - Premium rates are guaranteed not to change for the first five Policy Years. After the fifth Policy Year, the Company may change the premium rates for the Contract only if we base the premium change, by Class for everyone in your state, on the experience of this form. Any premium change will occur on the Policy Anniversary. We will notify you in writing at least 60 days before your premium changes.

Alzheimer's Disease - Subject to any applicable Elimination Period and Limitations or Exclusions described above, the Contract provides coverage for Alzheimer's Disease and forms of senility and irreversible dementia that result in a Severe Cognitive Impairment.

Counseling and Assistance – The Virginia Insurance Counseling and Assistance Program is available at: Virginia Department for the Aging, 1600 Forest Avenue, Suite 102, Richmond, VA 23229, Aging Services Hotline: 800/552-3402.

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|     | None   |               | Comprehensive Monthly Indemnity Benefit           |
|     | 3% Lifetime Compound Benefit Increase Rider  |               | Rider   |
|     | 4% Lifetime Compound Benefit Increase Rider  |               | □ \$250 □ \$500 □ \$750                           |
|     | 5% Lifetime Compound Benefit Increase Rider  |               | □ \$1,000 □ \$1,250 □ \$1,500                     |
|     | Two Times Compound Benefit Increase Rider  |               | Home and Community Care Monthly Indemnity         |
|     | Simple Benefit Increase Rider  | L             | Benefit Rider                                     |
|     | •  |               | □ \$250 □ \$500 □ \$750                           |
| NO  | ONFORFEITURE BENEFIT RIDER:  |               | □ \$250 □ \$500 □ \$750                           |
|     | None   | ΑĪ            | DDITIONAL BENEFIT RIDERS:                         |
|     | Shortened Benefit Rider  | П             | Home and Community Care Monthly Benefit           |
|     |  |               | Rider   |
|     | ETURN OF PREMIUM RIDERS:   |               | Waiver of Home and Community Care                 |
| _   | Return of Premium Upon Death Rider   |               | Elimination Period Rider (not available with      |
| П   | Full Return of Premium Upon Death Rider  |               | 180-day Elimination Period)                       |
| DE  | DENGITING DANGATERIT ADTIONIC.   |               | Calendar Day Elimination Period Rider             |
| _   | REMIUM PAYMENT OPTIONS:  |               | Restoration of Benefits Rider (not available with |
|     | Continuous Pay Limited Pay Rider   |               | Lifetime Benefit Period or Spousal Shared Care    |
|     | Accelerated Premium Rider  |               | Rider)  |
|     | Accelerated Fightium Rider   |               | Spousal Shared Care Rider (the two insureds'      |
|     |  |               | plans must be identical)                          |
|     |  |               | Spousal Waiver of Premium Rider                   |
|     |  |               | Spousal Survivorship Rider                        |

# PREMIUNI SUMMAROTATION Long Term Care Policy Home and Community Care Monthly Indemnity Benefit Rider: Comprehensive Monthly Indemnity Benefit Rider Subtotal: Elimination Period Factor: Underwriting Rate Class Factor: Inflation Protection Rider Factor: Nonforfeiture Benefit Rider Factor: Return of Premium Rider Factor: Х \_\_\_\_\_ Spousal Waiver of Premium Rider Factor: Spousal Survivorship Rider Factor: Spousal Shared Care Rider Factor: Calendar Day Elimination Period Rider Factor: Home and Community Care Monthly Benefit Rider Factor: Waiver of Home and Community Care Elimination Period Rider Factor: Restoration of Benefits Rider Factor: Premium Payment Option Factor: TOTAL ANNUAL PREMIUM: PREMIUM PAYMENT MODE: (must elect one) ☐ Annual ☐ Semi-Annual ☐ Quarterly ☐ Monthly/PAC \$\_\_\_\_ TOTAL MODAL PREMIUM:

## ADDITIONAL FEATURES

Medical Underwriting - Your insurability for the Contract will be determined by the answers given in your application and any other authorized medical information we obtain regarding your current state of health.

CONTACT THE STATE SENIOR HEALTH INSURANCE ASSISTANCE PROGRAM IF YOU HAVE **GENERAL QUESTIONS** REGARDING LONG TERM CARE INSURANCE. CONTACT THE INSURANCE COMPANY IF YOU HAVE SPECIFIC QUESTIONS REGARDING YOUR LONG TERM CARE INSURANCE CONTRACT.

[International Coverage Benefit Endorsement – If you are eligible for Benefit Payments and require Qualified Long Term Care Services which would otherwise be covered under the Contract while you are outside the fifty United States, the District of Columbia, or Canada, in a designated country as defined in the Visa Waiver Program, we will pay actual expenses up to 70% of the Facility Care Daily Benefit or Home and Community Care Daily Benefit.

Benefits paid accumulate toward the Maximum Lifetime Benefit and the International Coverage Maximum Lifetime Benefit. The International Coverage Maximum Lifetime Benefit is calculated as 70% of the Facility Care Daily Benefit times 730 days.]

Limited Pay Rider - If you were 64 or younger on the Effective Date, once you have paid required premiums until the first Policy Anniversary following your 80<sup>th</sup> birthday, this Rider will provide you with a paid-up Contract.

If you were 65 or older on the Effective Date, once you have paid required premiums until the first Policy Anniversary after 15 Policy Years, this Rider will provide you with a paid-up Contract.

Accelerated Premium Rider - If you were 64 or younger on the Effective Date, this Rider adjusts the Total Modal Premium payment:

- in the first ten Policy Years, to 1.4 times the premium that would have been paid during those Policy Years without the Rider.
- during the eleventh Policy Year through Termination, to 0.7 times the premium that would have been paid during those Policy Years without the Rider.

If you were 65 or older on the Effective Date, this Rider adjusts the Total Modal Premium payment:

- in the first ten Policy Years, to 1.2 times the premium that would have been paid during those Policy Years without the Rider.
- during the eleventh Policy Year through Termination, to 0.6 times the premium that would have been paid during those Policy Years without the Rider.

Shortened Benefit Rider - For additional premium, this Rider provides a benefit when the Contract has been In Force and premiums have been paid for at least three full Policy Years and Lapses due to nonpayment of premiums. Under the Shortened Benefit Rider, coverage will continue during your lifetime, but benefits will be payable only until the total of benefits paid under the Contract, including benefits paid before the date the Contract Lapses, equals the greater of 30 times the Facility Care Daily Benefit in effect on the date of Lapse or the total of premiums paid under the Contract. Benefits payable under this Rider are subject to the same Contract provisions that would have been in effect had the Contract not Lapsed. However, no further increases will occur under any benefit increase Rider, attached to the policy, after the date the Contract Lapses.

Contingent Benefit Upon Lapse Endorsement – This Endorsement is included in all Contracts that do not include the Shortened Benefit Rider. Each time premiums are increased above the level defined by the state as a "substantial premium increase," the following options will be made available: a reduction of Contract benefits provided by your current coverage so that premiums are not

increased; or a conversion of the Contract to paidup status with a Shortened Benefit Period.

If you elect a reduction in Contract benefits, benefits will be provided at the level that the current premium payable under the Contract will purchase. This option must be elected within 120 days of a "substantial premium increase."

If you elect to convert the Contract to a paid-up status, the Maximum Lifetime Benefit becomes equal to the greater of the total premiums paid for the policy and any attached Riders or thirty times the Facility Care Daily Benefit in effect on the date of Lapse. Under this option, coverage will continue during your lifetime, but benefits will be payable only until the total of benefits paid under the policy and any attached Riders equals the new Maximum Lifetime Benefit. This option may be elected at any time within 120 days of a "substantial premium increase." If the Contract Lapses for nonpayment of premium during this 120-day period, this option will automatically be provided under the Contract.

Benefits payable under this Endorsement are subject to the same Contract provisions that would have been in effect had the Contract not Lapsed. However, no further increases will occur under any benefit increase Rider, if attached to the policy.

Calendar Day Elimination Period Rider — For additional premium, if you are Chronically Ill, each calendar day beginning with the first day that you receive Qualified Long Term Care Services until you are no longer Chronically Ill will count toward the Elimination Period.

Home and Community Care Monthly Benefit Rider - For additional premium, if you are eligible for Benefit Payments under the Home and Community Care Benefit, we will pay up to the number of days in the month times the Home and Community Care Daily Benefit on a monthly basis for the actual expenses incurred during the month.

Waiver of Home and Community Care Elimination Period Rider – For additional premium, the Elimination Period will be waived while you are Chronically Ill and are receiving Home and Community Care. In addition, each day that you receive Benefit Payments for Home and

Community Care will count toward the Elimination Period.

Home and Community Care Monthly Indemnity Benefit Rider - For additional premium, this Rider provides a Home and Community Care Monthly Indemnity Benefit amount in any month that a Home and Community Care benefit payment is received. The Home and Community Care Monthly Indemnity Benefit is not payable if the only benefit of the policy being paid is the Facility Care Benefit or the Alternative Plan of Care Benefit. This Rider pays the lesser of two times the Benefit Period in months or 120 Home and Community Care Monthly Indemnity Benefit payments.

Comprehensive Monthly Indemnity Benefit Rider - For additional premium, this Rider provides a Monthly Indemnity Benefit amount in any month that a benefit payment is received. The Monthly Indemnity Benefit is not payable if the only benefit of the policy being paid is the Alternative Plan of Care Benefit. This Rider pays the lesser of two times the Benefit Period in months or 120 Monthly Indemnity Benefit payments.

Return of Premium Upon Death Rider - For additional premium, this Rider pays a Return of Premium Upon Death Benefit to your Beneficiary if the Contract Terminates because of your death. The Return of Premium Upon Death Benefit is equal to the total of premiums paid for the Contract, reduced by the total of benefits paid. If the total of benefits paid exceeds the total of premiums paid, this Return of Premium Upon Death Benefit will be zero.

Full Return of Premium Upon Death Rider - For additional premium, this Rider pays a Full Return of Premium Upon Death Benefit to your Beneficiary if the Contract Terminates because of your death. The Return of Premium Upon Death Benefit is equal to the total of premiums paid for the Contract.

Restoration of Benefits Rider - For additional premium, if benefits have been paid and deducted from the Maximum Lifetime Benefit, the Maximum Lifetime Benefit will be restored, if for a period of 180 consecutive days:

• the Contract is In Force:

- · you are not receiving Benefit Payments; and
- you are no longer Chronically Ill.

The Maximum Lifetime Benefit may be restored an unlimited number of times.

Married Discount Rider - This Rider provides a discount on the premium because you are married. If you are no longer married, you must provide written notice to Cancel this Rider.

Spousal Discount Rider - This Rider provides a discount on the premium because both you and an Insured Spouse, with whom you are living and to whom you are married, were issued Contracts. If you are no longer living with or married to the Insured Spouse, you must provide written notice to Cancel this Rider.

Spousal Shared Care Rider - For additional premium, if you exhaust the Maximum Lifetime Benefit, you may access the Insured Spouse's benefits, upon our receipt of their signed consent, up to their maximum lifetime benefit, less the total of all claims paid, less 365 times the facility care daily benefit.

If the Insured Spouse exhausts their maximum lifetime benefit, the Insured Spouse may access your benefits, upon our receipt of your signed consent, up to the Maximum Lifetime Benefit less the total of all claims paid, less 365 times the Facility Care Daily Benefit.

Spousal Waiver of Premium Rider - For additional premium, if the Insured Spouse is eligible for Benefit Payments and has satisfied the Elimination Period, this Rider will waive your premium as it comes due.

We will continue to waive each premium that comes due according to the Mode of Payment in effect at the time you become eligible for this benefit, as long as the Insured Spouse's premiums are being waived. Once the Insured Spouse is no longer Chronically Ill or this Rider Terminates, you must pay each premium that comes due according to the Mode of Payment in effect.

**Spousal Survivorship Rider** - For additional premium, this Rider provides for premiums to be paid up if:

- the Contract is In Force for 10 Policy Years;
- the Insured Spouse's contract is in force for 10 policy years; and
- the Insured Spouse dies.

Inflation Protection Riders - For additional premium, these Riders provide that on each Policy Anniversary, the benefits provided by the Contract will be increased.

The 3%, 4%, and 5% Lifetime Compound Benefit Increase Riders increase benefits as follows:

- the Facility Care Daily Benefit and Home and Community Care Daily Benefit will be increased by 3%, 4%, or 5% of the amount in effect on the previous Policy Anniversary.
- the Monthly Indemnity Benefit (if the Comprehensive Monthly Indemnity Benefit Rider is elected) **OR** the Home and Community Care Monthly Indemnity Benefit (if the Home and Community Care Monthly Indemnity Benefit Rider is elected) will be increased by 3%, 4%, or 5% of the amount in effect on the previous Policy Anniversary.
- The remaining Maximum Lifetime Benefit will be increased by 3%, 4%, or 5%.

The annual increases will occur even if benefits are being paid

The Two Times Compound Benefit Increase Rider increases benefits as follows:

- the Facility Care Daily Benefit and Home and Community Care Daily Benefit will be increased by 5% of the amount in effect on the previous Policy Anniversary.
- the Monthly Indemnity Benefit (if the Comprehensive Monthly Indemnity Benefit Rider is elected) **OR** the Home and Community Care Monthly Indemnity Benefit (if the Home and Community Care Monthly Indemnity Benefit Rider is elected) will be increased by 5% of the amount in effect on the previous Policy Anniversary.

• The remaining Maximum Lifetime Benefit will be increased by 5%.

Annual increases will occur each year until the current benefit amount would otherwise exceed two times the original benefit amount.

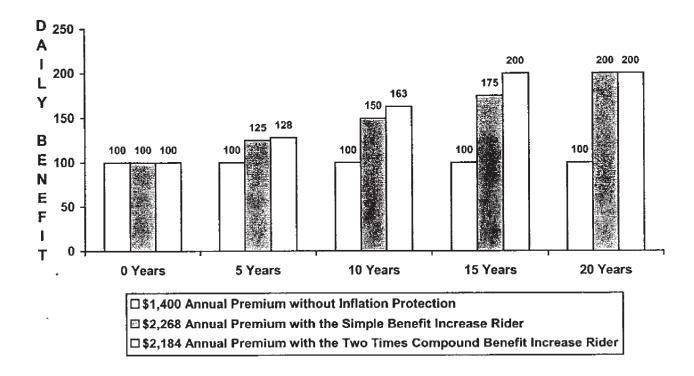
The annual increases will occur even if benefits are being paid.

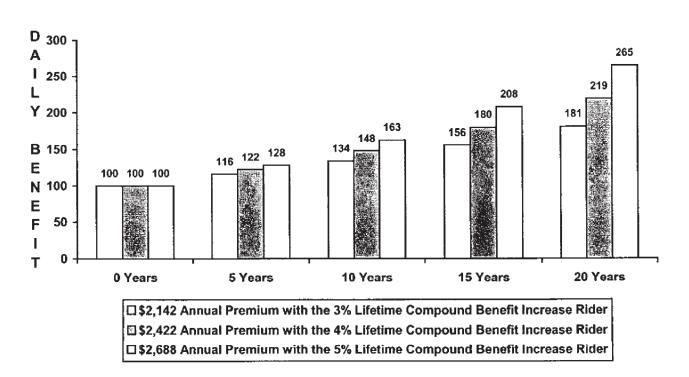
The Simple Benefit Increase Rider increases benefits as follows:

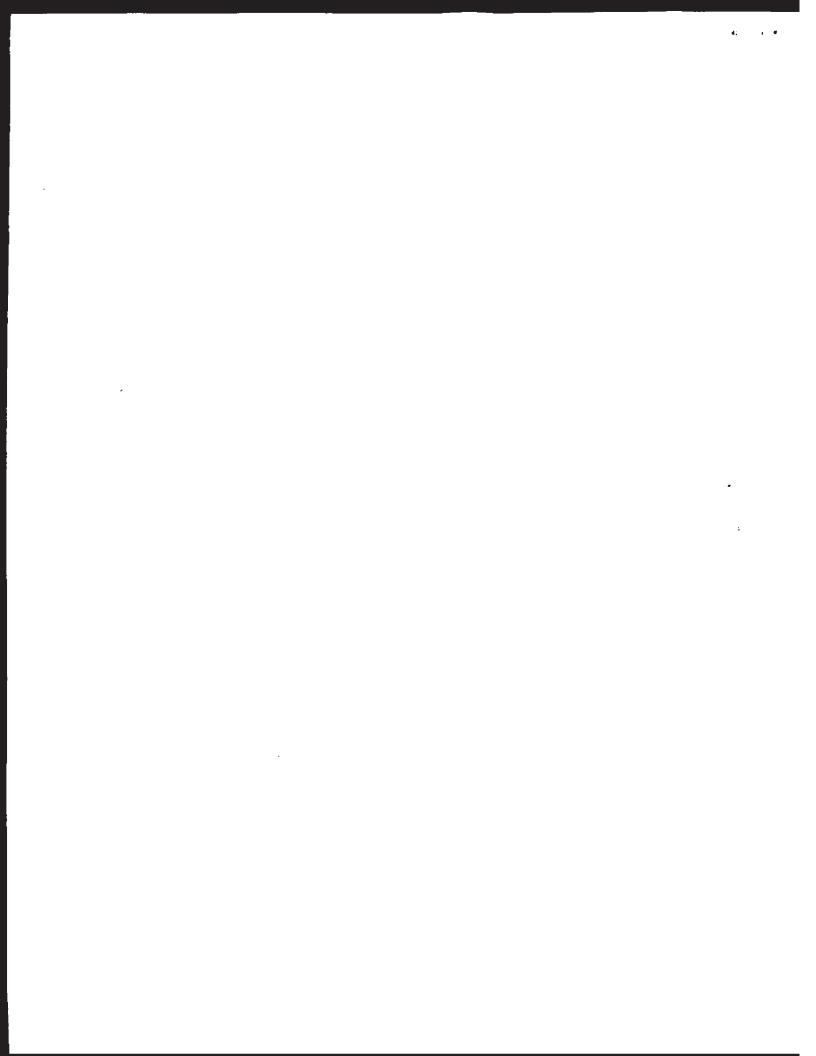
 the Facility Care Daily Benefit and Home and Community Care Daily Benefit will be increased by 5% of the original amount issued to you.

- the Monthly Indemnity Benefit (if the Comprehensive Monthly Indemnity Benefit Rider is elected) **OR** the Home and Community Care Monthly Indemnity Benefit (if the Home and Community Care Monthly Indemnity Benefit Rider is elected) will be increased by 5% of the of the original amount issued to you.
- The remaining Maximum Lifetime Benefit will also increase by the same proportion as the increase in the daily benefits.

The first graph compares the benefits and premiums between a policy with the Simple Benefit Increase Rider, the Two Times Compound Benefit Increase Rider, and a policy without either one. The second graph compares the benefits and premiums between a policy with the 3%, 4%, and 5% Lifetime Compound Benefit Increase Riders. For purposes of illustration, the sample shown is for a policy with an issue age of 65, a 90-day Elimination Period, a \$100 Facility Care Daily Benefit, a \$100 Home and Community Care Daily Benefit, a Lifetime Benefit Period, and a Preferred rating classification.







#### Allianz Life Insurance Company Home Office use only of North America Allianz Life™ assigned policy number(s). Home Office: Minneapolis, MN encil de 55416-1297] Primary: [PO Box 1292] [Minneapolis, MN 55440-1292] **Application for** Spouse: Generation Protector™ New application Long Term Care Insurance ☐ Existing policy change/reinstatement 1. Tell us about yourself Proposed primary insured First Middle Last Occupation Social Security number Residence address City State Zip code Day phone number Evening phone number Best time to call □ a.m. □ p.m. Date of birth (mm/dd/yyyy) Age Sex Height Weight 🗀 Male 🔲 Female Tobacco use ☐ Nonsmoker of cigarettes in past 24 months ☐ Smoker of cigarettes in past 24 months ☐ Other tobacco use Marital status If married, is spouse currently covered? With whom do you currently live? Married ☐ Single ☐ Widowed ☐ Divorced Yes \( \subseteq \) No ☐ Spouse ☐ Alone ☐ Other Proposed insured spouse First Middle\* Last the or service of the services Occupation Social Security number Residence address

10-A-VA

City

Day phone number

Date of birth (mm/dd/yyyy)

Return to Home Office

State \*\*\*

Height\*\*

Evening phone number

🗌 Male 🔲 Fêmale:

Tobacco use

☐ Nonsmoker of cigarettes in past 24 months ☐ Smoker of cigarettes in past 24 months ☐ Other tobacco use

Age:

\_\_\_\_\_

Zip code ⊚

Best time to call

Weighte Land 1 Southern

□ a.m. □ p.m. •

| 2. Agent information   |  |  |                       |                            |                                 |
|--|--|--|-----------------------|----------------------------|---------------------------------|
| First  |  | Middle initial                                 | Last                  |                            |                                 |
|  |  |  |                       |                            |                                 |
| Phone number   |  | % Split  | Agent number          |                            |                                 |
|  |  |  |                       |                            |                                 |
| First  |  | Middle initial                                 | Last                  |                            |                                 |
|  |  | 0/ 0.55  |                       |                            |                                 |
| Phone number   |  | % Split  | Agent number          |                            |                                 |
|  |  |  |                       |                            |                                 |
| 3. Other insurance informati   | on   |  |                       |                            |                                 |
|  |  |  |                       |                            | Primary Insured                 |
|  |  |  |                       |                            | insured spouse<br>Yes No Yes No |
| 1. Do you have, or, in the past 12 MG                                  | ONTHS did you have an                          | other disability                               | v income or lang terr | n care incurance policy or | les no lesanos                  |
| certificate in force?  | •  |  | -                     |                            |                                 |
| 2. Do you intend to replace any of you if "Yes," you MUST complete Sec | our long term care, medi                       |  |                       |                            |                                 |
| 3. In the past 12 MONTHS, have you                                     |  | ner company f                                  | or a policy providing | nursing home care          |                                 |
| long term care, or home health ca                                      |  |  |                       |                            |                                 |
| Are you currently receiving disabil program (Medicaid)?                |  |  |                       |                            |                                 |
| List details below for any "Yes" answe                                 |  |  |                       |                            |                                 |
| ,  | ,  |  |                       |                            | •                               |
| El Boron and and and an article and a                                  | . □ B  |  |                       |                            |                                 |
| ☐ Proposed primary insured Status of policy                            | Proposed ins When (mm/dd/yyyy)                 | surea spou                                     | Se<br>Type of benefit |                            |                                 |
| • •  |  |  | Type or benefit       |                            |                                 |
| Lapsed Applied for In force Name of company                            |  | لـــالـــالـــا                                |                       | Policy number              |                                 |
| Name of company  |  |  |                       |                            |                                 |
| To be replaced by this coverage  | Amount of benefit                              |  |                       |                            |                                 |
| · · · · · · · · · · · · · · · · · · ·                                  | s  |  | Other                 |                            |                                 |
| Yes No   | ,,   | <u>.                                      </u> | Other                 |                            |                                 |
| Proposed primary insured   |  |  |                       |                            |                                 |
|  | When (mm/dd/yyyy)                              |  | Type or benefit       |                            |                                 |
| Lapsed Applied for In force  |  |  |                       | Dollar arrabas             |                                 |
| Name of company  |  |  |                       | Policy number              |                                 |
| To be replaced by this coverage  | Amount of benefit                              |  |                       |                            |                                 |
| ☐ Yes ☐ No   | s  |  | Other                 |                            |                                 |
| ☐ Proposed primary insured   | -  | ured snou                                      |                       |                            |                                 |
| Status of policy   | When (mm/dd/yyyy)                              | ourca spou                                     | Type of benefit       |                            |                                 |
| ☐ Lapsed ☐ Applied for ☐ In force                                      |  |  |                       |                            |                                 |
| Name of company  |  |  |                       | Policy number              |                                 |
|  |  | 100  |                       |                            |                                 |
| To be replaced by this coverage  | Amount of benefit                              |  |                       |                            |                                 |
| ☐ Yes ☐ No   | <u> \$                                    </u> |  | Other                 |                            | ······                          |

| 4. Choose your coverage  |  |  |  |  |  |
|--|--|--|--|--|--|
| Proposed primary insured coverage  |  |  |  |  |  |
| Risk class   |  |  |  |  |  |
| Preferred Plus Preferred   |  | - v  |  |  |  |
| ☐ Standard ☐ Select I ☐ Select II  | \$   |  |  |  |  |
| Home & Community Care Daily Benefit  | Elimination Period   | Benefit Period                               |  |  |  |
| ☐ 70% ☐ 100% ☐ 130%  | ☐ 7 days ☐ 30 days ☐ 60 days   | ☐ 2 years ☐ 3 years ☐ 4 years                |  |  |  |
| lefletion material and discovery   | □ 90 days □ 180 days   | ☐ 5 years ☐ 8 years ☐ Lifetime               |  |  |  |
| Inflation protection riders (Must select one)  ☐ None (see disclaimer below)*                          | □ 50/ hitsting Community (51)  | Premium payment options (Must select one)    |  |  |  |
| 3% Lifetime Compound Benefit Increase Rider  | 5% Lifetime Compound Benefit Increase Ride   | Continuous pay                               |  |  |  |
| 4% Lifetime Compound Benefit Increase Rider  | <ul><li>☐ Two Times Compound Benefit Increase Ride</li><li>☐ Simple Benefit Increase Rider</li></ul> | Limited Pay Rider                            |  |  |  |
| Additional rider benefits  | Monthly indemnity ben  | Accelerated Premium Rider                    |  |  |  |
| ☐ Home and Community Care Monthly Benefit Ric  |  | ant options<br>nly Indemnity Benefit Rider   |  |  |  |
| ☐ Waiver of Home and Community Care Eliminati  | on Period Rider \$250/mo \$500   |  |  |  |  |
| (not available with 180 day E.P.)  | \$1,000/mo \$1,2   |  |  |  |  |
| ☐ Calendar Day Elimination Period Rider  |  | / Care Monthly Indemnity Benefit Rider       |  |  |  |
| Restoration of Benefits Rider (not available with  | Lifetime Benefit   |  |  |  |  |
| Period or Spousal Shared Care Rider)   |  |  |  |  |  |
| Nonforfeiture rider benefits (Must select one)   | Return of premium options  |  |  |  |  |
| ☐ None (see disclaimer below)**  | Return of Premium Upon Death Rider (com  | plete beneficiary information below)         |  |  |  |
| ☐ Shortened Benefit Rider  | ☐ Full Return of Premium Upon Death Rider (  | complete beneficiary information below)      |  |  |  |
| Name of beneficiary  |  | Relationship                                 |  |  |  |
|  |  |  |  |  |  |
| Proposed insured spouse coverage   |  |  |  |  |  |
| Spousal rider benefits   |  |  |  |  |  |
| Spousal Shared Care Rider (the two insureds' p   | lans must be identical).   Spousal Waiver of   | Premium Rider 🖟 🗌 Spousal Survivorship Rider |  |  |  |
| Risk class   | Facility Care Daily Benefit (choose from \$10  | 0_\$500 in increments of \$10)               |  |  |  |
| ☐ Preferred Plus ☐ Preferred   |  |  |  |  |  |
| ☐ Standard ☐ Select I ☐ Select II  |  |  |  |  |  |
| Home & Community Care Daily Benefit  | Elimination Period   | Benefit Period                               |  |  |  |
| □ 70% □ 100% □ 130%  | ☐ 7 days ☐ 30 days ☐ 60 days   |  |  |  |  |
| Inflation protection riders (Must select one)  | ☐ 90 days ☐ 180 days   | 5 years 8 years Ufetime                      |  |  |  |
| □ None (see disclaimer below)*   | FW   Foliage Commission D   St to 200   Did  | Premium payment options (Must select one)    |  |  |  |
| 3% Lifetime Compound Benefit Increase Rider  | 5% Lifetime Compound Benefit Increase Ride   |  |  |  |  |
| 4% Lifetime Compound Benefit Increase Rider  | Simple Renefit Increase Rider  | Limited Pay Rider                            |  |  |  |
| Additional rider benefits  | Monthly indemnity ben  | onions is                                    |  |  |  |
| Home and Community Care Monthly Benefit Ric  |  | nly Indemnity Benefit Rider.                 |  |  |  |
| ☐ Waiver of Home and Community Care Elimination  | on Period Rider 💮 🗀 \$250/mo 🗀 \$500   |  |  |  |  |
| (not available with 180 day E.P)   | □ \$1,000/mo □ \$1,29  |  |  |  |  |
| Calendar Day Elimination Period Rider  | Home and Community   | Care Monthly Indemnity Benefit Rider         |  |  |  |
| Restoration of Benefits Rider (not available with Lifetime Benefit \$250/mo \$500/mo \$750/mo \$750/mo |  |  |  |  |  |
| Period or Spousal Shared Care Rider)   |  |  |  |  |  |
| Nonforfeiture rider benefits (Must select one)*  | Return of premium options  |  |  |  |  |
| ☐ None (see disclaimer below)**  | Return of Premium Upon Death Rider (com  | plete beneficiary information below).        |  |  |  |
| Shortened Benefit Rider  | Full Return of Premium Upon Death Rider (  | complete beneficiary information below)      |  |  |  |
| Name of beneficiary  |  | Relationship                                 |  |  |  |
|  |  |  |  |  |  |

\*PLEASE READ IF INFLATION PROTECTION IS NOT DESIRED. By signing this application, I acknowledge by checking "None" that I have reviewed the outline of coverage and the graphs that compare the benefits and premiums of the policy with and without inflation protection. Specifically, I have reviewed the 3%, 4%, and 5% Lifetime Compound Benefit Increase Riders, the Two Times Compound Benefit Increase Rider, and the Simple Benefit Increase Rider, and by checking "None," I acknowledge that I reject inflation protection.

\*\*PLEASE READ IF NONFORFEITURE BENEFIT IS NOT DESIRED. By signing this application, I acknowledge by checking "None" that I have reviewed the outline of coverage and the nonforfeiture benefit as described therein. Specifically, I have reviewed the Shortened Benefit Rider, and by checking "None," I acknowledge that I reject such nonforfeiture benefit.

Return to Home Office

| 5. Your premium payment amount   |  |   |
|--|--|---|
| Proposed primary insured   |  |   |
| Planned modal premium  | Frequency (Must select one)  |   |
|  | ☐ Monthly [PAC/EFT] (submit authorization form<br>☐ Quarterly ☐ Semiannually ☐ Annually                        | n and 2 months premium)   |
| Total amount submitted with application  | If endorsed group:   |   |
| \$   | Group name   |   |
| Proposed insured spouse  |  |   |
| Planned modal premium  | Frequency (Must select one)  |   |
| <b>\$</b> 00,000.00  | Monthly [PAC/EFT] (submit authorization for<br>Guarterys Semiannually Annually                                 | n and 2 months premium)   |
| Total amount submitted with application  | If endorsed group  | · · · · · · · · · · · · · · · · · · ·   |
| \$   | Group name   |   |
| 6. Special requests  |  |   |
| Proposed primary insured   |  |   |
| Date to save age   | Special effective date   | Other   |
| Proposed insured spouse  |  |   |
| Dale lo cave age   | Special effective date.  | Other 4 4 4 4 4   |
|  |  |   |
| 7. Payor if other than proposed insur  | ed(s)  |   |
| Full name  |  |   |
|  |  |   |
| Relationship to you  |  |   |
| Billing address  |  |   |
|  |  |   |
| City   | State  | Zip code  |
|  |  |   |
| 8. Designation of third party for prote  | ection against unintended lapse  |   |
| I understand that I have the right to designate at I policy for nonpayment of premium. I understand t Must select one: | east one person, other than myself, to receive notion<br>that this notice to my designee will not be given unt | ce of possible lapse of this long term care insurance il 30 days after a premium is due and unpaid. |
| ☐ I elect <b>NOT</b> to designate any person to rece   | eive such notice.  |   |
| ☐ I elect to designate this person to receive s  | uch notice:  |   |
| Proposed primary insured   |  |   |
| Full name of third party designee  |  |   |
|  |  |   |
| Phone number   | ]  |   |
| Mailing address  |  |   |
|  |  |   |
|  |  | Zip code  |
|  |  |   |

| 8. Designation of third party for protection against unintended lapse (continued)  |   |   |  |  |  |
|--|---|---|--|--|--|
| Understand that I have the right to designate at least one person, other the policy for nonpayment of premium. I understand that this notice to my design Must select one: | an myself, to receive notice of possible<br>gnee will not be given until 30 days afte | lapse of this long term care insurance<br>er a premium is due and unpaid: |  |  |  |
| lelect NOT to designate any person to receive such notice  |   |   |  |  |  |
| ☐ Felect to designate this person to receive such notice.  |   |   |  |  |  |
| Proposed insured spouse  |   |   |  |  |  |
| Full name of third party designee  |   |   |  |  |  |
|  |   |   |  |  |  |
| Phone number   |   |   |  |  |  |
|  |   |   |  |  |  |
| Mailing address:   |   |   |  |  |  |
| City   | State Zip code  |   |  |  |  |
|  |   |   |  |  |  |
| 9. Medical history - Part I  |   |   |  |  |  |
|  |   | Primary Insured Spouse  |  |  |  |
| In the past 6 MONTHS – or currently:   |   | YES NO YES NO.  |  |  |  |
| a. Are you receiving disability benefits or worker's compensation?   |   |   |  |  |  |
| b. Due to any present or past mental or physical disability, is any person   | n or institution authorized to act on vo  | ur behalf?  |  |  |  |
| <ul> <li>c. Are you dependent on the use of a walker or wheelchair or are you</li> </ul>   | confined to bed or home?  |   |  |  |  |
| d. Are you using any medical appliance such as a catheter, oxygen eq   | uipment, respirator, or dialysis machir   | ne?   |  |  |  |
| 2. In the past 6 MONTHS, have you required assistance or supervision with  | h, or are you currently limited in any w  | av from   |  |  |  |
| performing, any of the following daily activities: eating, bathing, dressing   | g, toileting, bladder or bowel control, o   | or mobility?  |  |  |  |
| 3. Have you ever been diagnosed as having or been treated by a member  | of the medical profession for any of the  | he following:   |  |  |  |
| <ul> <li>a. Acquired Immune Deficiency Syndrome (AIDS) or AIDS Related Co</li> </ul>   | mplex (ARC)?  |   |  |  |  |
| b. Diabetes treated with insulin or arthritis treated with chronic steroid   | use or gold?  |   |  |  |  |
| <ul> <li>c. Alzheimer's Disease, Organic Brain Syndrome, senility, confusion, di</li> <li>d. Parkinson's Disease, Multiple Sclerosis, ALS (Lou Gehrig's Disease</li> </ul> | sonentation, recurring memory loss, o   | r dementia?   |  |  |  |
| e. Stroke, congestive heart failure, emphysema/COPD with continued   | smoking, cirrhasis of the liver   |   |  |  |  |
| or unoperated aneurysm?  | smoking, cirriosis of the liver,  |   |  |  |  |
| ,  | ***************************************   |   |  |  |  |
| 9. Medical history - Part II   |   |   |  |  |  |
| If any questions in Part II of the Medical History are answered "YES," plea  | ase provide details on page 7.  | Primary Insured   |  |  |  |
|  |   | Insured Spouse  |  |  |  |
| 4 - Falls and 40 VEADO I   |   | YES NO YES NO   |  |  |  |
| 1. In the past 10 YEARS, have you received medical advice or treatmen  |   |   |  |  |  |
| (If "YES" check all that apply. PI = Proposed Primary Insured. IS = I  | Proposed Insured Spouse.)   |   |  |  |  |
| PI IS PI IS Cane use   | PI IS   | PI IS   |  |  |  |
| ☐ Alcoholism ☐ Cane use ☐ Carotid artery disease   | ☐ ☐ Epilepsy/seizures   | Neurological disorder   |  |  |  |
| Arrhythmia Chronic bronchitis  | ☐ ☐ Falls<br>☐ ☐ Fibromyalgia   | Osteoporosis  |  |  |  |
| Arteriosclerosis Circulatory disorder  | ☐ ☐ Fractures   | ☐ ☐ Pacemaker☐ ☐ Peripheral vascular                                      |  |  |  |
| ☐ ☐ Arthritis ☐ ☐ COPD/emphysema   | ☐ ☐ Heart attack/disease  | disease   |  |  |  |
| Asthma Coronary artery disease   |   | Respiratory disorders   |  |  |  |
| Auto-Immune Disorder   | ☐ ☐ High blood pressure   | ☐ ☐ Skin ulcers   |  |  |  |
| Back disorder/surgery ulcerative colitis   | U Joint replacement   | ☐ ☐ Spine/Back disorders  |  |  |  |
| ☐ ☐ Blindness ☐ ☐ Depression ☐ ☐ Blood disorders ☐ ☐ Diabetes  | Lupus   | ☐ ☐ Stroke/TIA  |  |  |  |
| ☐ Blood disorders ☐ ☐ Diabetes ☐ ☐ Drug or substance abuse   | ☐ ☐ Melanoma  • ☐ ☐ Mental/nervous disorder   | ☐ ☐ Urinary incontinence  |  |  |  |
| Stag of constante abose  | Garage Monday Maddides  |   |  |  |  |

Return to Home Office

| 9. Medical history - Part II (continued)  | For JUANATED   |
|---|--|
|   | Primary Insured Insured Spouse   |
|   | YES NO YES NO  |
| 2. In the past 10 YEARS, have you been treated by a health professional for any condition not named above?          |  |
| 3. In the past 12 MONTHS, have you:   |  |
| a. Been confined to a hospital, nursing home, or sanitarium?  |  |
| b. Received home care services, physical therapy, or rehabilitative therapy?  |  |
| c. Sought medical advice or treatment for loss of appetite, falling, fainting, problems with balance, dizziness, or |  |
| deterioration of vision?  |  |
| d. Had any surgical procedure recommended or scheduled?   |  |
| 9. Medical history - Part III   |  |
|   |  |
| Physician of proposed primary insured Physician name  |  |
| Priyacian name  |  |
| Phone number  |  |
|   |  |
| Mailing address   |  |
|   |  |
| City State Zip code   |  |
| Medical specialist name   |  |
|   |  |
| Phone number  (   |  |
| Mailing address   |  |
|   |  |
| City State Zip code   |  |
|   |  |
| Physician of proposed insured spouse  |  |
| Physician name *** *** *** *** *** *** *** *** *** *  |  |
| Phone numbers:  |  |
|   |  |
| Mailing address   | Self-of Total Committee and Committee of the Committee of |
|   |  |
| City State Zip code   |  |
|   |  |
|   |  |
|   |  |
| Phone number  |  |
|   | Yes Tables   |
| Mailing address   |  |
| City State Zip code   |  |
|   |  |

| 9. Medical history - Part IV          |                  |                   |  |               |         |
|---------------------------------------|------------------|-------------------|--|---------------|---------|
| What medications, prescription and no | on-prescription, | are you currently | taking?                                    |               | -       |
| Name of medication                    | Dose             | Frequency         | Condition(s) for which you are taking it   | PI            | ıs      |
|                                       |                  |                   |  |               |         |
|                                       |                  |                   |  |               |         |
|                                       |                  |                   |  | ं             |         |
|                                       |                  |                   |  |               |         |
|                                       |                  |                   |  |               |         |
|                                       |                  | -                 |  |               |         |
|                                       |                  | <u> </u>          |  |               | <u></u> |
| 9. Medical history - Part V (p        | rovide detai     | ls to any ques    | stions answered "Yes" in Medical history – | Parts I & II) |         |
|                                       |                  |                   |  |               |         |
|                                       |                  |                   |  |               |         |
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|                                       |                  |                   |  |               |         |
|                                       |                  |                   |  |               |         |
|                                       | ····             |                   |  |               | _       |
| Home Office changes to this           | application      |                   |  |               |         |
|                                       |                  |                   |  |               |         |
|                                       |                  |                   |  |               |         |
|                                       |                  |                   |  |               |         |
|                                       |                  |                   |  |               |         |
|                                       |                  |                   |  |               |         |

| 10. Replacement (complete only if replacement is involv   | ed):   |
|---|--|
| By signing this application, I acknowledge that I have received and read a Accident and Sickness or Long Term Care Insurance. The "Notice to appl   |  |
| First Middle  | Last   |
|   |  |
| on (date)   |  |
| Agent first Middle  | Last   |
|   |  |
| Agent address   |  |
| City  | State Zip code   |
|   |  |
| 11. Proposed insured(s) acknowledgement   |  |
| I(we) received and completed (if applicable) the following when I(we) app   | lied for this policy:  |
| ☐ Outline of Coverage ☐ Replacement Notice  | ☐ Authorization for Release of Health Information  |
| ☐ Personal Worksheet ☐ Long Term Care Shopper's   | Guide Authorization for Release of Psychotherapy Notes   |
| ☐ Potential Rate Increase Disclosure ☐ Medicare Notice  | ☐ Disclosure Statement   |
| 12. Your agreement and permission   |  |
| AGREEMENT - The answers given are complete and true to the best of written answers to the questions in this application and that if my answer. Incontestability provision in the policy. I also understand that the agent ca ACKNOWLEDGEMENT - I acknowledge receipt of an Outline of Coveral Increase Disclosure, and Disclosure Statement, which includes the Medic Information Practices.  CAUTION - If your responses on this application are incorrect or un your policy, subject to the Incontestability provision in the policy. | s are not complete and true, my policy may not be valid, subject to the nnot determine eligibility for or alter the terms of the proposed policy.  ge, Long Term Care Shopper's Guide, Medicare Notice, Potential Rate cal Information Bureau Notice and the Notice of Insurance  true, the Company may have the right to deny benefits or rescind   |
| The undersigned proposed insured(s) and agent certify that the proposed insured(s), the completed application and realizes that any false statement under the policy.   | nt or misrepresentation in this application may result in loss of coverage   |
| Signed at city  | State  |
| Day Month Year  |  |
|   |  |
| Proposed primary insured's signature  X Proposed insured spouse's signature   | To be answered by licensed resident agent: I certify that the statements of the proposed insured(s) have been correctly recorded in this application. To the best of my knowledge, the insurance applied for in this applicationwill not orwill replace existing insurance.  |
|   | Agent's signature  |
|   | Agent's phone number ( ) — ) — ( ) — |

| A  | gent's statement  |         |             |
|----|---|---------|-------------|
|    |   | YES     | NO NO       |
| 1, | Did you personally interview the proposed insured(s), ask all the questions and witness the signatures?   |         |             |
| 2. | a. Did the proposed insured(s) (or their representative) initiate the contact that resulted in this application?  |         |             |
|    | b. How long have you known the proposed insured(s)?   |         |             |
|    | c. Are you or your spouse related to the proposed insured(s)? If yes, relationship?   |         |             |
| 3. | Did you notice any impairments with regard to walking, talking or any type of tremor or signs of disorientation?  (Please explain in "REMARKS.")  |         |             |
| 4. | Do you have reason to believe that any information on this application (whether favorable or unfavorable) might be inaccurate or misleading or do you have any information not disclosed in this application regarding the health, habits, or home surroundings of the proposed insured(s) (whether favorable or unfavorable) which might assist in the underwriting decision of this application? (Please explain in "REMARKS.") | n       |             |
| 5. | Does a Power of Attorney agreement exist for the proposed insured(s)?   |         |             |
| 6. | Proposed Insured(s) type of dwelling:  Private Home Apartment Assisted Living Facility  Nursing Facility Other  |         |             |
| 7. | Indicate the best time of day to contact the proposed insured(s) by telephone:  |         |             |
| 8. | Agent must list all health insurance including long term care policies sold to the applicant(s) which: are still in force; and were the last five years but are no longer in force.   | sold in |             |
|    | ☐ Proposed primary insured ☐ Proposed insured spouse Status of policy When (mm/dd/yyyy) Type of benefit   |         |             |
|    | □ Lapsed □ Applied for □ In force □ □ / □ □ / □ □ □ □ □ □ □ □ □ □ □ □ □   |         |             |
|    | Name of company Policy number   |         |             |
|    | To be replaced by this coverage Amount of benefit  Yes No \$ Other  |         |             |
|    | ☐ Proposed primary insured ☐ Proposed insured spouse  |         |             |
|    | Status of policy When (mm/dd/yyyy) Type of benefit  Lapsed Applied for In force Name of company  Policy number  |         |             |
|    | Name of company Policy number  To be replaced by this coverage Amount of benefit  |         |             |
|    | ☐ Yes ☐ No Other  |         |             |
|    |   |         |             |
| RE | MARKS:  |         |             |
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|    |   |         |             |

#### 3% LIFETIME COMPOUND BENEFIT INCREASE RIDER

This Rider increases your benefits each year to provide some protection against the rising cost of long term care, subject to the conditions listed below.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

#### Definition

**Remaining Lifetime Benefit** on the current Policy Anniversary is the Maximum Lifetime Benefit on the previous Policy Anniversary less the total of all claims paid up to the current Policy Anniversary.

## Lifetime Compound Benefit Increase

On each Policy Anniversary, the benefits provided by the Contract will be increased as follows:

- The Facility Care Daily Benefit and Home and Community Care Daily Benefit will be increased by 3% of the amount in effect on the previous Policy Anniversary.
- The Monthly Indemnity Benefit (if the Comprehensive Monthly Indemnity Benefit Rider is elected) OR the Home and Community Care Monthly Indemnity Benefit (if the Home and Community Care Monthly Indemnity Benefit Rider is elected) will be increased by 3% of the amount in effect on the previous Policy Anniversary
- The Maximum Lifetime Benefit on the current Policy Anniversary is the Maximum Lifetime Benefit on the previous Policy Anniversary, increased by 3% of the Remaining Lifetime Benefit on the current Policy Anniversary.

The annual increases will occur even if benefits are being paid.

#### Cancellation

If you cancel this Rider, the daily benefits, and, if elected, monthly benefits, will return to the original amounts issued to you.

Signed for the Company in Minneapolis, Minnesota, and effective on the Effective Date of the policy.

[Suzanne J. Pepin] [Senior Vice President, Secretary

and Chief Legal Officer)



#### 4% LIFETIME COMPOUND BENEFIT INCREASE RIDER

This Rider increases your benefits each year to provide some protection against the rising cost of long term care, subject to the conditions listed below.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

#### Definition

Remaining Lifetime Benefit on the current Policy Anniversary is the Maximum Lifetime Benefit on the previous Policy Anniversary less the total of all claims paid up to the current Policy Anniversary.

## Lifetime Compound Benefit Increase

On each Policy Anniversary, the benefits provided by the Contract will be increased as follows:

- 1. The Facility Care Daily Benefit and Home and Community Care Daily Benefit will be increased by 4% of the amount in effect on the previous Policy Anniversary.
- The Monthly Indemnity Benefit (if the Comprehensive Monthly Indemnity Benefit Rider is elected) OR the Home and Community Care Monthly Indemnity Benefit (if the Home and Community Care Monthly Indemnity Benefit Rider is elected) will be increased by 4% of the amount in effect on the previous Policy Anniversary.
- 3. The Maximum Lifetime Benefit on the current Policy Anniversary is the Maximum Lifetime Benefit on the previous Policy Anniversary, increased by 4% of the Remaining Lifetime Benefit on the current Policy Anniversary.

The annual increases will occur even if benefits are being paid.

#### Cancellation

If you cancel this Rider, the daily benefits, and, if elected, monthly benefits, will return to the original amounts issued to you.

Signed for the Company in Minneapolis, Minnesota, and effective on the Effective Date of the policy.

[Suzanne J. Pepin] [Senior Vice President, Secretary

and Chief Legal Officer]



#### 5% LIFETIME COMPOUND BENEFIT INCREASE RIDER

This Rider increases your benefits each year to provide some protection against the rising cost of long term care, subject to the conditions listed below.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

#### Definition

Remaining Lifetime Benefit on the current Policy Anniversary is the Maximum Lifetime Benefit on the previous Policy Anniversary less the total of all claims paid up to the current Policy Anniversary.

## Lifetime Compound **Benefit Increase**

On each Policy Anniversary, the benefits provided by the Contract will be increased as follows:

- 1. The Facility Care Daily Benefit and Home and Community Care Daily Benefit will be increased by 5% of the amount in effect on the previous Policy Anniversary.
- 2. The Monthly Indemnity Benefit (if the Comprehensive Monthly Indemnity Benefit Rider is elected) OR the Home and Community Care Monthly Indemnity Benefit (if the Home and Community Care Monthly Indemnity Benefit Rider is elected) will be increased by 5% of the amount in effect on the previous Policy Anniversary.
- 3. The Maximum Lifetime Benefit on the current Policy Anniversary is the Maximum Lifetime Benefit on the previous Policy Anniversary, increased by 5% of the Remaining Lifetime Benefit on the current Policy Anniversary.

The annual increases will occur even if benefits are being paid.

#### Cancellation

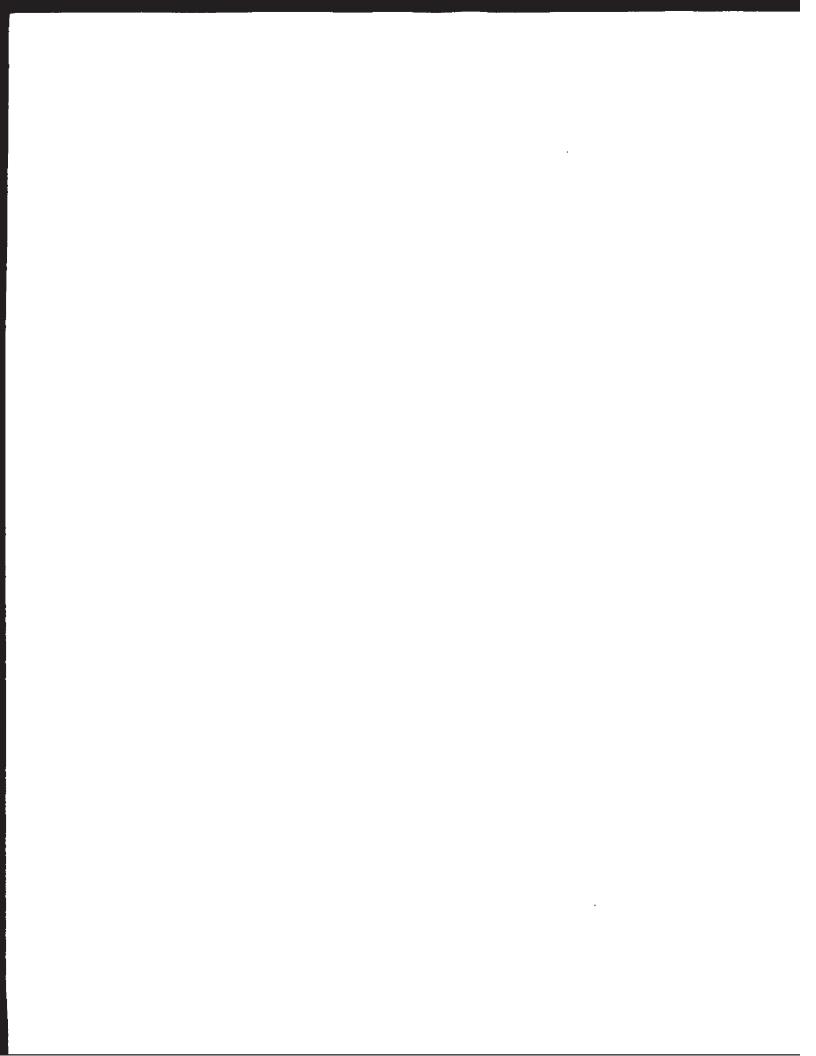
If you cancel this Rider, the daily benefits, and, if elected, monthly benefits, will return to the original amounts issued to you.

Signed for the Company in Minneapolis, Minnesota, and effective on the Effective Date of the policy.

[Suzanne J. Pepin]

[Senior Vice President, Secretary

and Chief Legal Officer)



## TWO TIMES COMPOUND BENEFIT INCREASE RIDER

This Rider increases your benefits for a limited number of years to provide some protection against the rising cost of long term care, subject to the conditions listed below.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

#### Definition

Daily/Monthly Benefit is the Facility Care Daily Benefit, Home and Community Care Daily Benefit, Monthly Indemnity Benefit (if the Comprehensive Monthly Indemnity Benefit Rider is elected), and Home and Community Care Monthly Indemnity Benefit (if the Home and Community Care Monthly Indemnity Benefit Rider is elected).

**Remaining Lifetime Benefit** on the current Policy Anniversary is the Maximum Lifetime Benefit on the previous Policy Anniversary less the total of all claims paid up to the current Policy Anniversary.

# Two Times Compound Benefit Increase

On each Policy Anniversary, the benefits provided by the Contract will increase as follows:

- 1. The Daily/Monthly Benefit will increase by 5% of the amount in effect on the previous Policy Anniversary.
- 2. The Maximum Lifetime Benefit on the current Policy Anniversary is the Maximum Lifetime Benefit on the previous Policy Anniversary, increased by 5% of the Remaining Lifetime Benefit on the current Policy Anniversary.

Annual increases will occur each year until the current Daily/Monthly Benefit would otherwise exceed two times the original Daily/Monthly Benefit. The increase in the year that the current Daily/Monthly Benefit would otherwise exceed two times the original Daily/Monthly Benefit will be less than 5% such that the current Daily/Monthly Benefit will equal two times the original Daily/Monthly Benefit. No increases will occur beyond this time.

The annual increases will occur even if benefits are being paid.

#### Cancellation

If you cancel this Rider, the Daily/Monthly Benefit will return to the original amounts issued to you.

Signed for the Company in Minneapolis, Minnesota, and effective on the Effective Date of the policy.

[Suzanne J. Pepin]

[Senior Vice President, Secretary and Chief Legal Officer]



#### SIMPLE BENEFIT INCREASE RIDER

This Rider increases your benefits each year to provide some protection against the rising cost of long term care, subject to the conditions listed below.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

#### **Definition**

Remaining Lifetime Benefit on the current Policy Anniversary is the Maximum Lifetime Benefit on the previous Policy Anniversary less the total of all claims paid up to the current Policy Anniversary.

# Lifetime Simple Benefit Increase

On each Policy Anniversary, the benefits provided by the Contract will be increased as follows:

- 1. The Facility Care Daily Benefit and Home and Community Care Daily Benefit will be increased by 5% of the original amount issued to you.
- The Monthly Indemnity Benefit (if the Comprehensive Monthly Indemnity Benefit Rider is elected) OR the Home and Community Care Monthly Indemnity Benefit (if the Home and Community Care Monthly Indemnity Benefit Rider is elected) will be increased by 5% of the original amount issued to you.
- 3. The Remaining Lifetime Benefit will also increase by the same proportion as the increase in the daily benefits.

The annual increases will occur even if benefits are being paid.

#### Cancellation

If you cancel this Rider, the daily benefits, and, if elected, monthly benefits, will return to the original amounts issued to you.

Signed for the Company in Minneapolis, Minnesota, and effective on the Effective Date of the policy.

[Suzanne J. Pepin] [Senior Vice President, Secretary

and Chief Legal Officer]



## LIMITED PAY RIDER

This Rider provides you with a paid-up Contract once you have paid the required premium for a specified period of time.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

## **Limited Pay Option**

To renew the Contract, you must pay the premium due by the premium due date.

If you were 64 or younger on the Effective Date, once you have paid required premiums until the first Policy Anniversary following your 80<sup>th</sup> birthday, this Rider will provide you with a paid-up Contract.

If you were 65 or older on the Effective Date, once you have paid required premiums until the first Policy Anniversary after 15 policy years, this Rider will provide you with a paid-up Contract.

The Contract will then automatically be renewed for the rest of your life with no further premium due.

Signed for the Company in Minneapolis, Minnesota, and effective on the Effective Date of the policy.

[Suzanne J. Pepin] [Senior Vice President, Secretary

and Chief Legal Officer]



## ACCELERATED PREMIUM RIDER

This Rider allows you to pay a higher premium during the first 10 Policy Years and to pay a lower premium after the 10th Policy Year.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

### Accelerated Premium Benefit

If you were 64 or younger on the Effective Date, this Rider adjusts the Total Modal Premium payment:

- in the first ten Policy Years, to 1.4 times the premium that would have been paid during those Policy Years without this Rider.
- during the eleventh Policy Year through Termination, to 0.7 times the premium that would have been paid during those Policy Years without this Rider.

If you were 65 or older on the Effective Date, this Rider adjusts the Total Modal Premium payment:

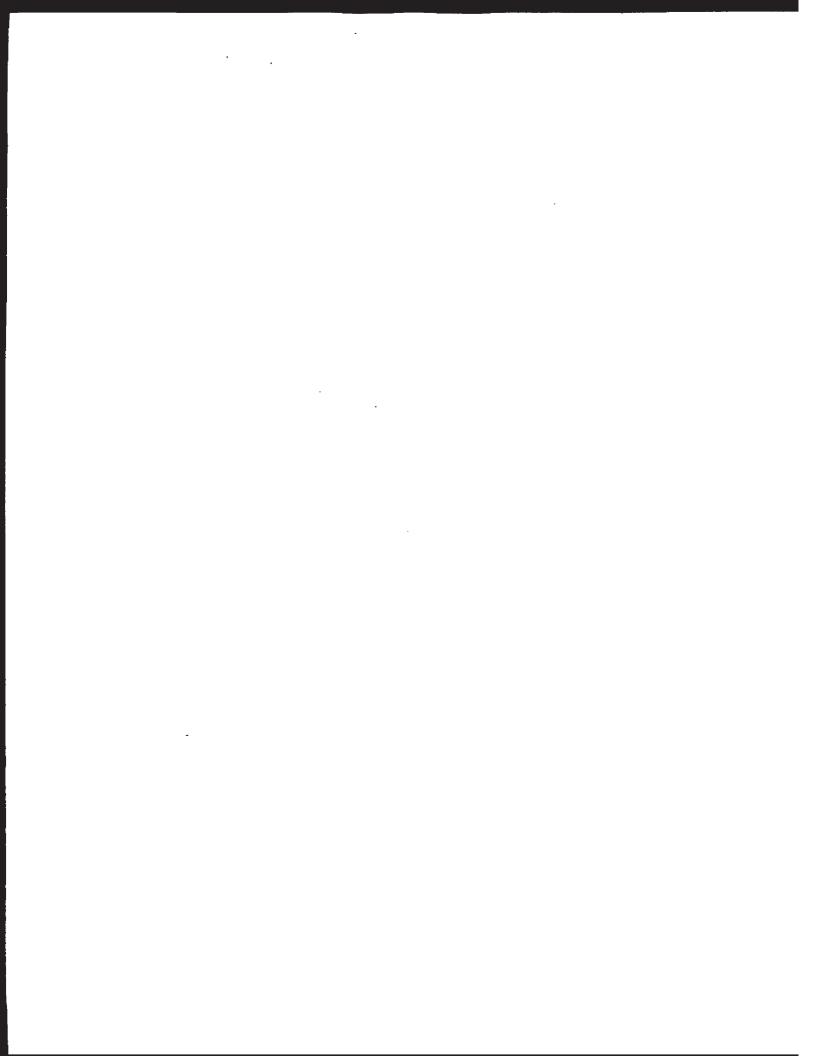
- in the first ten Policy Years, to 1.2 times the premium that would have been paid during those Policy Years without this Rider.
- during the eleventh Policy Year through Termination, to 0.6 times the premium that would have been paid during those Policy Years without this Rider.

Premium rates are guaranteed not to change for the first five Policy Years. After the fifth Policy Year, the Company may change the premium rates for the Contract only if we change the premium rates by Class for everyone in your state with this policy form. The premium change would occur on the Policy Anniversary. We will notify you in writing at least 60 days before your premium changes.

Signed for the Company in Minneapolis, Minnesota, and effective on the Effective Date of the policy.

[Suzanne J. Pepin]

[Senior Vice President, Secretary and Chief Legal Officer]



#### SHORTENED BENEFIT RIDER

This Rider provides limited benefits even after the Contract Lapses, subject to the conditions listed below.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, définitions, limitations and exclusions of the Contract, except as stated in this Rider.

#### **Definitions**

Maximum Shortened Benefit Period Amount is the greater of 30 times the Facility Care Daily Benefit in effect on the date of Lapse or the total of premiums paid under the Contract.

The Maximum Shortened Benefit Period Amount may be adjusted subsequent to being initially granted only as necessary to reflect changes in claims, persistency, and interest as reflected in changes in rates for premium paying contracts approved by the Commissioner of Insurance for the same contract form.

### **Shortened Benefit**

If the Contract has been in Force and premiums have been paid for at least three full Policy Years, and then the Contract Lapses, this Rider will provide a Shortened Benefit equal to the Maximum Shortened Benefit Period Amount.

No further increases will occur under any benefit increase Rider after the date the Contract Lapses. Also, all other Riders will terminate on the date the Contract Lapses, and no further benefits will be payable from those Riders. The Facility Care Daily Benefit or Home and Community Care Daily Benefit payable under this Rider will be the daily benefit amount in effect on the date the Contract Lapses.

Benefits payable under this Rider are subject to the same Elimination Period and all provisions of the Contract that would have been in effect had the Contract not Lapsed.

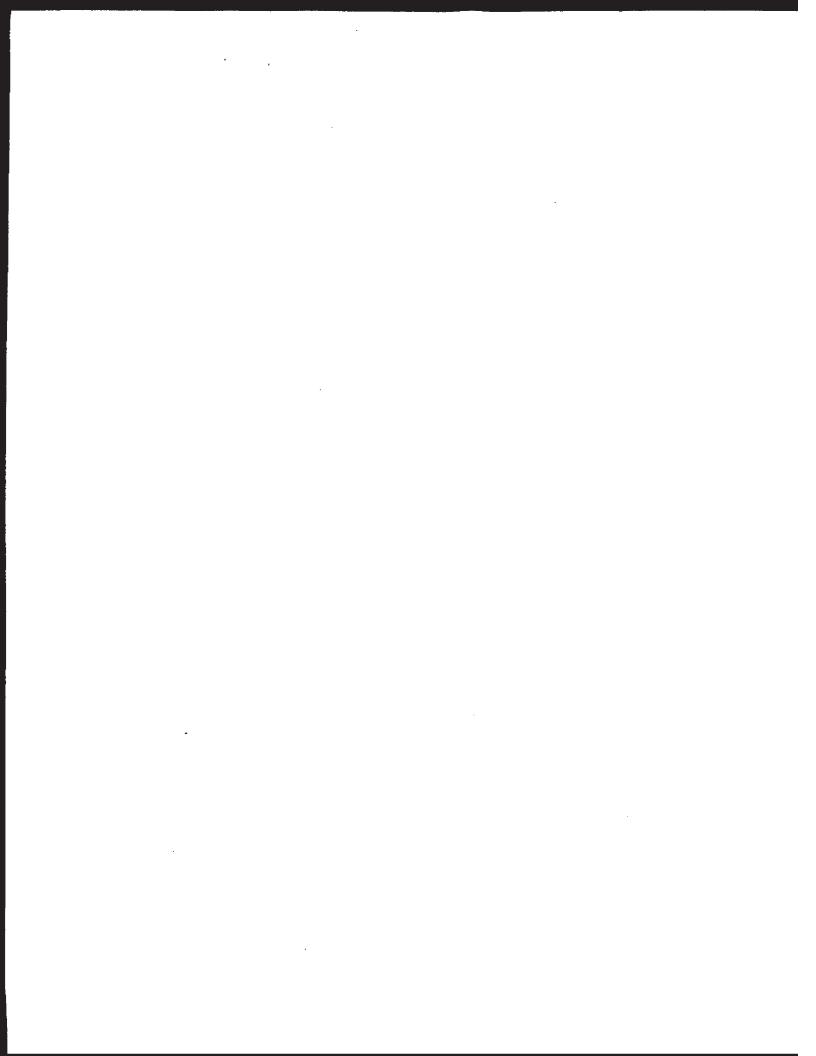
Under the shortened benefit period, coverage will continue during your lifetime, but benefits will be payable only until the total of benefits paid under the Contract, including benefits paid before the date the Contract Lapses, equals the Maximum Shortened Benefit Period Amount.

Signed for the Company in Minneapolis, Minnesota, and effective on the Effective Date of the policy.

[Suzanne J. Pepin]

[Senior Vice President, Secretary

and Chief Legal Officer)



## **CALENDAR DAY ELIMINATION PERIOD RIDER**

This Rider credits, toward the Elimination Period, each day that you are Chronically III from the first day that you receive care.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

Calendar Day Elimination Period Benefit If you are Chronically III, each calendar day beginning with the first day that you receive Qualified Long Term Care Services until you are no longer Chronically III will count toward the Elimination Period.

Signed for the Company in Minneapolis, Minnesota, and effective on the Effective Date of the policy.

[Suzanne J. Pepin] [Senior Vice President, Secretary

and Chief Legal Officer]



### HOME AND COMMUNITY CARE MONTHLY BENEFIT RIDER

This Rider adds flexibility by paying the Home and Community Care Benefit on a monthly basis rather than on a daily basis.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

# Home and Community Care Monthly Benefit

If you are eligible for Benefit Payments under the Home and Community Care Benefit, we will pay up to the number of days in the month times the Home and Community Care Daily Benefit on a monthly basis for the actual expenses incurred during the month.

All benefits paid under the Home and Community Care Monthly Benefit are subtracted from the Maximum Lifetime Benefit; however, the maximum monthly amount of benefits subtracted will not exceed the number of days in the month times the Facility Care Daily Benefit amount.

Signed for the Company in Minneapolis, Minnesota, and effective on the Effective Date of the policy.

[Suzanne J. Pepin] [Senior Vice President, Secretary

and Chief Legal Officer]



#### WAIVER OF HOME AND COMMUNITY CARE ELIMINATION PERIOD RIDER

This Rider waives the Elimination Period if you are receiving Home and Community Care, subject to the conditions listed below.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

Home and Community Care Waiver of Elimination Period Benefit The Elimination Period will be waived while you are Chronically III and are receiving Home and Community Care. In addition, each day that you receive Benefit Payments for Home and Community Care will count toward the Elimination Period.

You must satisfy the remainder of the Elimination Period, if any, to be eligible for Benefit Payments under the Facility Care Benefit.

If you have fully satisfied the Elimination Period for the Facility Care Benefit, the premium charge for this Rider will cease.

Waiver of Premium Benefit

If you meet the Eligibility for Benefits provision in the policy, we will waive your premium as it comes due beginning with the first premium due after the first day that you receive Home and Community Care.

We will continue to waive each premium that comes due according to the Mode of Payment in effect at the time you become eligible for this benefit, as long as you continue to be Chronically III. Once you recover and are no longer Chronically III, you must pay each premium that comes due according to the Mode of Payment currently in effect.

Signed for the Company in Minneapolis, Minnesota, and effective on the Effective Date of the policy.

[Suzanne J. Pepin] [Senior Vice President, Secretary

and Chief Legal Officer]



#### HOME AND COMMUNITY CARE MONTHLY INDEMNITY BENEFIT RIDER

This Rider provides a cash benefit in any month that a Home and Community Care benefit payment is received, subject to the conditions listed below.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

#### **Home and Community Care Monthly Indemnity** Benefit

The Home and Community Care Monthly Indemnity Benefit amount is shown on the Policy Schedule. This amount will be paid in any month that a Home and Community Care benefit payment is received. The Home and Community Care Monthly Indemnity Benefit payments will stop when:

- you no longer satisfy the Benefit Payments provision of the policy;
- you are no longer receiving Home and Community Care benefit payments under the Contract; or
- you have received the lesser of two times the Benefit Period in months or 120 Home and Community Care Monthly Indemnity Benefit payments.

#### **Exclusions**

The Monthly Indemnity Benefit is not payable if the only benefit of the policy being paid is the Facility Care Benefit or the Alternative Plan of Care Benefit.

Signed for the Company in Minneapolis, Minnesota, and effective on the Effective Date of the policy.

[Suzanne J. Pepin]

[Senior Vice President, Secretary

and Chief Legal Officer]



#### **COMPREHENSIVE MONTHLY INDEMNITY BENEFIT RIDER**

This Rider provides a cash benefit in any month that a benefit payment is received, subject to the conditions listed below.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

# Monthly Indemnity Benefit

The Monthly Indemnity Benefit amount is shown on the Policy Schedule. This amount will be paid in any month that a benefit payment is received. The Monthly Indemnity benefit payments will stop when:

- you no longer satisfy the Benefit Payments provision of the policy;
- · you are no longer receiving benefits from the Contract; or
- you have received the lesser of two times the Benefit Period in months or 120 Monthly Indemnity Benefit payments.

#### **Exclusions**

The Monthly Indemnity Benefit is not payable if the only benefit of the policy being paid is the Alternative Plan of Care Benefit.

Signed for the Company in Minneapolis, Minnesota, and effective on the Effective Date of the policy.

[Suzanne J. Pepin] [Senior Vice President, Secretary

and Chief Legal Officer



#### RETURN OF PREMIUM UPON DEATH RIDER

Upon your death, this Rider returns all premiums paid, less any benefits paid, to your Beneficiary.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

#### Return of Premium Upon Death Benefit

This Rider pays a Return of Premium Upon Death Benefit to your Beneficiary, or to your estate if no Beneficiary has been designated, if the Contract Terminates because of your death.

The Return of Premium Upon Death Benefit is equal to the total of premiums paid for the Contract, reduced by the total of benefits paid. If the total of benefits paid exceeds the total of premiums paid, this Return of Premium Upon Death Benefit will be zero.

Signed for the Company in Minneapolis, Minnesota, and effective on the Effective Date of the policy.

[Suzanne J. Pepin] [Senior Vice President, Secretary

and Chief Legal Officer



#### **FULL RETURN OF PREMIUM UPON DEATH RIDER**

Upon your death, this Rider returns all premiums paid to your Beneficiary.

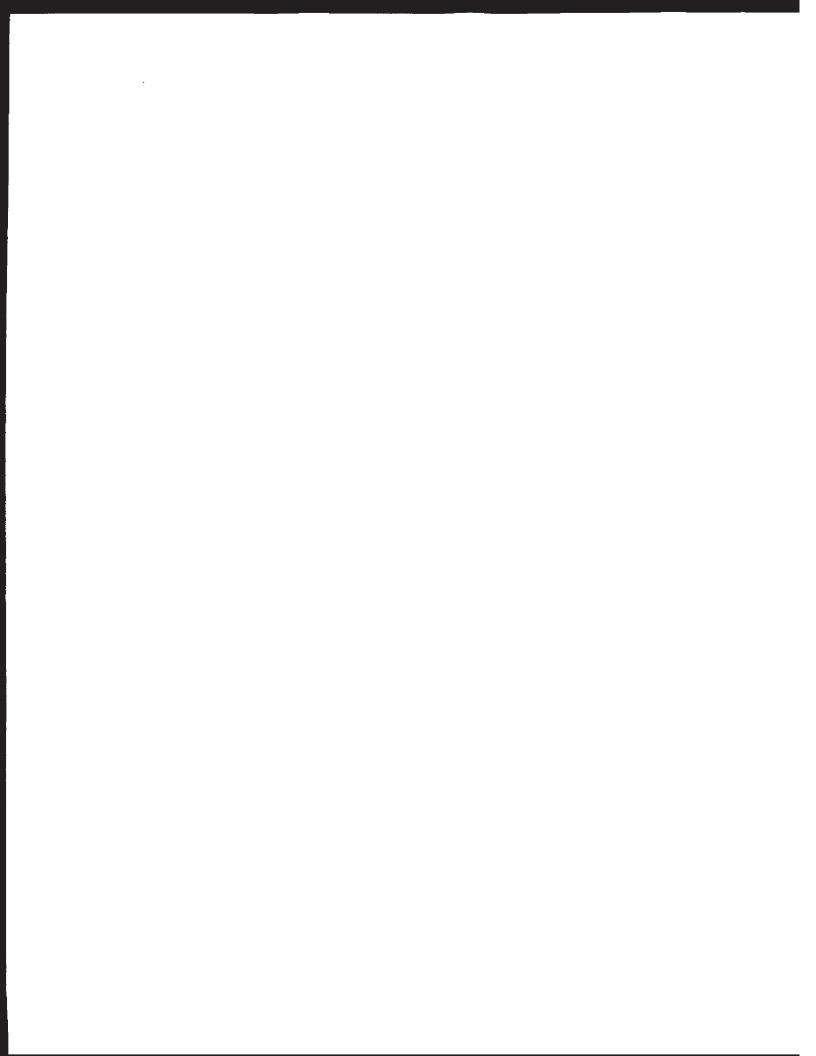
The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

Full Return of Premium Upon Death Benefit This Rider pays a Full Return of Premium Upon Death Benefit to your Beneficiary or to your estate if no Beneficiary has been designated, if the Contract Terminates because of your death. The Full Return of Premium Upon Death Benefit is equal to the total of premiums paid for the Contract.

Signed for the Company in Minneapolis, Minnesota, and effective on the Effective Date of the policy.

[Suzanne J. Pepin]

[Senior Vice President, Secretary



#### RESTORATION OF BENEFITS RIDER

Once you recover, this Rider restores the Maximum Lifetime Benefit, subject to the conditions listed below.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

#### **Restoration of Benefits**

If benefits have been paid and deducted from the Maximum Lifetime Benefit, the Maximum Lifetime Benefit will be restored if, for a period of 180 consecutive days:

- · the Contract is In Force;
- · you are not receiving Benefit Payments; and
- you are no longer Chronically III.

The Maximum Lifetime Benefit may be restored an unlimited number of times.

Signed for the Company in Minneapolis, Minnesota, and effective on the Effective Date of the policy.

[Suzanne J. Pepin] [Senior Vice President, Secretary

and Chief Legal Officer]



#### MARRIED DISCOUNT RIDER

This Rider provides a premium discount because you are married, subject to the conditions listed below.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

Married Discount

This Rider provides you with a premium discount because you are married.

Benefit

The Married Discount Rider will not terminate due to the death of your spouse while the

Contract is In Force.

Cancellation

This Rider must be cancelled if you are no longer married (except due to the death of your spouse while the Contract is In Force) by providing written notice of Cancellation to

us.

**Termination** 

This Rider will Terminate and coverage under this Rider will end on the earliest of:

- · the date of Cancellation of this Rider; or
- · the date the Contract Terminates.

Upon Termination of this Rider, the premium will be equal to the rate that you would have been charged for an individual Contract without this Rider at your original issue age and risk class and will not include any Married Discount Benefit.

Signed for the Company in Minneapolis, Minnesota, and effective on the Effective Date of the policy.

[Suzanne J. Pepin]
[Senior Vice President, Secretary

and Chief Legal Officer]



#### SPOUSAL DISCOUNT RIDER

This Rider provides a premium discount because both you and your spouse were issued Contracts, subject to the conditions listed below.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

**Spousal Discount** Benefit

This Rider provides you with a premium discount because both you and an Insured Spouse, with whom you are living and to whom you are married, were issued Contracts.

The Spousal Discount Rider will not terminate due to the death of the Insured Spouse.

Cancellation

This Rider must be cancelled if you are no longer living with or married to the Insured Spouse (except due to the death of the Insured Spouse while the Contract is In Force) by providing written notice of Cancellation to us.

**Termination** 

This Rider will terminate and coverage under this Rider will end on the earliest of:

- the date of Cancellation of this Rider:
- the date the Insured Spouse cancels their Spousal Discount Rider;
- the date the Contract Terminates: or
- the date the Insured Spouse's contract terminates.

Upon Termination of this Rider, the premium will be equal to the rate that you would have been charged for an individual Contract without this Rider at your original issue age and risk class and will not include any Spousal Discount Benefit.

Signed for the Company in Minneapolis, Minnesota, and effective on the Effective Date of the policy.

[Suzanne J. Pepin]

[Senior Vice President, Secretary

and Chief Legal Officer]



#### SPOUSAL SHARED CARE RIDER

This Rider allows you to access the available benefits under your spouse's contract once your Maximum Lifetime

Benefit has been exhausted, subject to the conditions listed below.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

Definition

**Spousal Shared Care Benefit Amount** is equal to the Maximum Lifetime Benefit, less the total of all claims paid, less 365 times the Facility Care Daily Benefit, in effect at the time of claim. This amount will be disclosed on the consent form.

Spousal Shared Care Benefit If you exhaust the Maximum Lifetime Benefit, you may access the Insured Spouse's benefits, upon our receipt of their signed consent form, up to their spousal shared care benefit amount.

If the Insured Spouse exhausts his/her maximum lifetime benefit, the Insured Spouse may access your benefits, upon our receipt of your signed consent form, up to the Spousal Shared Care Benefit Amount.

**Death of Insured Spouse** 

Upon receipt of proof of death of the Insured Spouse, we will increase the Maximum Lifetime Benefit by the amount of the Insured Spouse's spousal shared care benefit amount, if any. We will provide you with written verification of the new Maximum Lifetime Benefit. Your premium will remain unchanged.

Cancellation

This Rider may be cancelled at any time by either Insured by providing written notice of Cancellation to us.

**Termination** 

This Rider will terminate and coverage under this Rider will end on the earliest of:

- the date of Cancellation of this Rider:
- · the date the Insured Spouse cancels their Spousal Shared Care Rider;
- · the date of Termination of the Spousal Discount Rider; or
- the date the Insured Spouse's Spousal Discount Rider terminates.

Restoration of Benefits

The optional Restoration of Benefits Rider does not extend to this Rider. If the optional Restoration of Benefits Rider is attached to the Contract, the Maximum Lifetime Benefit will only be restored to the extent that you have accessed benefits under the Contract subject to the provisions of the Restoration of Benefits Rider. Benefits accessed under the Contract by the Insured Spouse will not be restored.

Signed for the Company in Minneapolis, Minnesota, and effective on the Effective Date of the policy.

[Suzanne J. Pepin]

[Senior Vice President, Secretary and Chief Legal Officer]



#### SPOUSAL WAIVER OF PREMIUM RIDER

This Rider waives your premium as it comes due if your spouse's premiums are being waived, subject to the conditions listed below.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

#### Spousal Waiver Benefit

If the Insured Spouse is eligible for Benefit Payments and has satisfied the Elimination Period, this Rider will waive your premium as it comes due.

We will continue to waive each premium that comes due according to the Mode of Payment in effect at the time you become eligible for this benefit, as long as the Insured Spouse's premiums are being waived. Once the Insured Spouse is no longer Chronically III or this Rider Terminates, you must pay each premium that comes due according to the Mode of Payment in effect.

#### Cancellation

This Rider may be cancelled at any time by either Insured by providing written notice of Cancellation to us.

#### **Termination**

This Rider will terminate and coverage under this Rider will end on the earliest of:

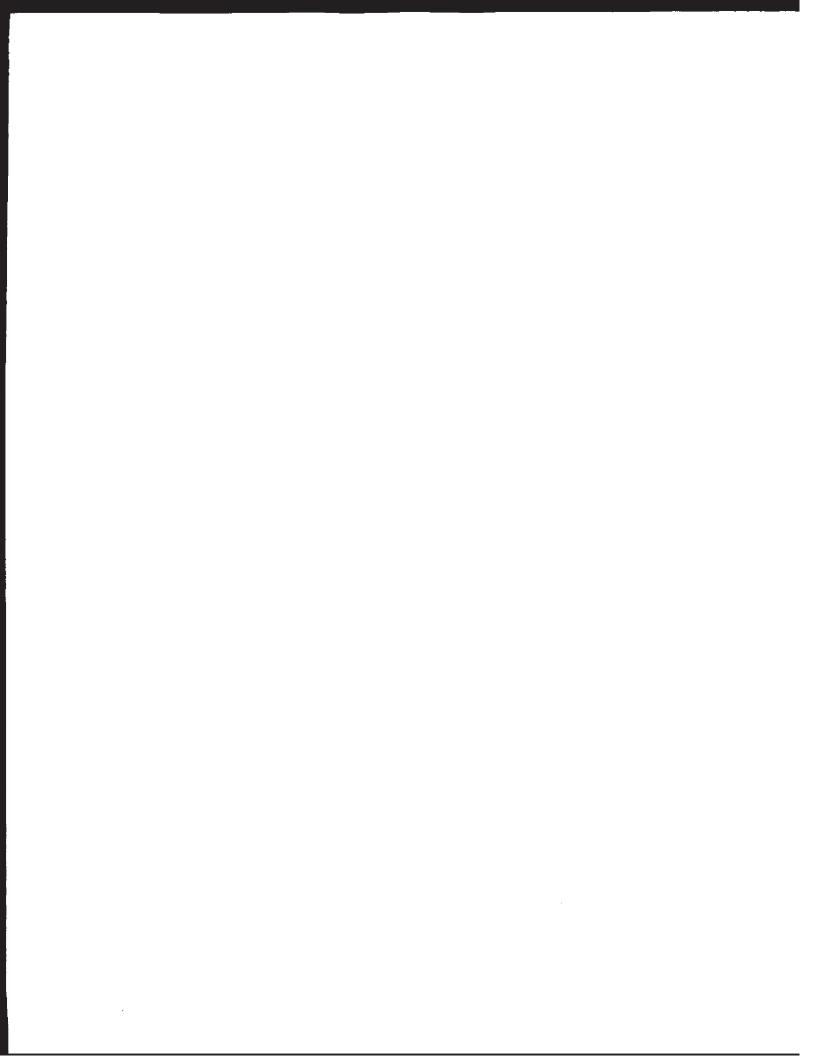
- the date of Cancellation of this Rider:
- the date the Insured Spouse cancels their Spousal Waiver of Premium Rider;
- the date of Termination of the Spousal Discount Rider; or
- the date the Insured Spouse's Spousal Discount Rider terminates.

Signed for the Company in Minneapolis, Minnesota, and effective on the Effective Date of the policy.

[Suzanne J. Pepin]

[Senior Vice President, Secretary

and Chief Legal Officer]



#### SPOUSAL SURVIVORSHIP RIDER

This Rider provides you with a paid-up Contract if both your and your spouse's Contract has been in Force for 10 years and then your spouse dies, subject to the conditions listed below.

The Company has issued this Rider as a part of the policy to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider.

Paid Up Survivorship Benefit

The premiums for the Contract will be paid up if:

- the Contract is In Force for 10 Policy Years;
- · the Insured Spouse's contract is in force for 10 policy years; and
- · the Insured Spouse dies.

Cancellation

This Rider may be cancelled at any time by either Insured by providing written notice of Cancellation to us.

**Termination** 

This Rider will terminate and coverage under this Rider will end on the earliest of:

- the date of Cancellation of this Rider;
- the date the Insured Spouse cancels their Spousal Survivorship Rider;
- the date of Termination of the Spousal Discount Rider; or
- the date the Insured Spouse's Spousal Discount Rider terminates.

Signed for the Company in Minneapolis, Minnesota, and effective on the Effective Date of the policy.

[Suzanne J. Pepin]

[Senior Vice President, Secretary and Chief Legal Officer]

## CONTINGENT BENEFIT UPON LAPSE ENDORSEMENT

This Endorsement provides benefits if a substantial premium increase occurs, subject to the conditions listed below.

The Company has issued this Endorsement as a part of the policy to which it is attached. This Endorsement is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Endorsement.

#### Contingent Benefit Upon Lapse

If the Contract has been In Force and premiums have been paid for at least three full Policy Years and we:

- (a) Increase the premium rates under the Contract (we will notify you in writing at least 60 days before your premium changes) which results in a cumulative increase of the annual premium equal to or exceeding the percentage of your initial annual premium, as set forth in the Triggers for Substantial Premium Increase Table; then
- (b) The following options will become available under the Contract:
  - 1. The Facility Care Daily Benefit shown on the Policy Schedule may be reduced. This may be accomplished by reduction of the Facility Care Daily Benefit (subject to its availability) to provide for an amount that the current premium payable under the Contract will purchase. This will also reduce the Maximum Lifetime Benefit. Reduction of the Facility Care Daily Benefit must be elected within 120 days of a Substantial Premium Increase as described above and will not be subject to evidence of insurability; or
  - 2. The Contract may be converted to a paid-up status with the Shortened Benefit Period described below. This option may be elected at any time within 120 days of a Substantial Premium Increase, as described above. In addition, if the Contract Lapses for nonpayment of premium during this 120-day period, this option will automatically be provided under the Contract.

Benefits paid by the insurer while the policy is in premium paying status and in paid-up status will not exceed the maximum benefits which would be payable if the policy had remained in premium paying status.

#### Shortened Benefit Period

Your coverage will continue and the Facility Care Daily Benefit will be payable based on the Facility Care Daily Benefit shown on the Policy Schedule (and any previous increases due to a benefit increase Rider) in effect on the date of Lapse. No further benefit increases will occur under any benefit increase Rider, if attached to the policy.

The Maximum Lifetime Benefit becomes equal to the greater of: (a) the total of premiums paid for the policy and all Riders; or (b) thirty times the Facility Care Daily Benefit in effect on the date of Lapse. This adjusted benefit amount replaces the Maximum Lifetime Benefit in effect on the date of Lapse. Any benefits paid to you after the Contract Lapses will be subtracted from this new Maximum Lifetime Benefit.

Your coverage under this Endorsement is subject to the same policy benefit provisions, Elimination Period, Limitations and Exclusions, and all other provisions of the policy and attached Riders that were in effect prior to the date of Lapse, except any benefit increase Rider, if attached to the policy.

## **Triggers for Substantial Premium Increases Table**

| Issue Age | Percent Increase Over Initial Premium |
|-----------|---------------------------------------|
| 18-29     | 200%                                  |
| 30-34     | 190                                   |
| 35-39     | 170                                   |
| 40-44     | 150                                   |
| 45-49     | 130                                   |
| 50-54     | 110                                   |
| 55-59     | 90                                    |
| 60        | 70                                    |
| 61        | 66                                    |
| 62        | 62                                    |
| 63        | 58                                    |
| 64        | 54                                    |
| 65        | 50                                    |
| 66        | 48                                    |
| 67        | 46                                    |
| 68        | 44                                    |
| 69        | 42                                    |
| 70        | 40                                    |
| 71        | 38                                    |
| 72        | 36                                    |
| 73        | 34                                    |
| 74        | 32                                    |
| 75        | 30                                    |
| 76        | 28                                    |
| 77        | 26                                    |
| 78        | 24                                    |
| 79        | 22                                    |
| 80        | 20                                    |
| 81        | 19                                    |
| 82        | 18                                    |
| 83        | 17                                    |
| 84        | 16                                    |

Signed for the Company in Minneapolis, Minnesota and effective on the Effective Date of the policy.

[Suzanne J. Pepin]
[Senior Vice President, Secretary and Chief Legal Officer]

#### FACILITY CARE ONLY POLICY ENDORSEMENT

This Endorsement deletes any reference in the policy to "Home and Community Care," thus making it a Facility Care Only policy.

The Company has issued this Endorsement as a part of the policy to which it is attached. This Endorsement is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Endorsement.

| <b>Guide to Policy</b> |  |
|------------------------|--|
| Benefits and           |  |
| Provisions             |  |

'The reference to the "Home and Community Care Benefit" is deleted.

#### Definitions Section

The reference to "Home and Community Care" in the "Elimination Period" definition is deleted.

The "Home and Community Care" definition is deleted.

The "Home and Community Care Daily Benefit" definition is deleted.

#### Eligibility for the Payment of Benefits Section

The reference to the "Home and Community Care Daily Benefit" in the "Benefit Payments" provision is deleted.

#### General Benefit Information Section

The "Home and Community Care Benefit" provision is deleted.

The second bullet with respect to "Home and Community Care" and the "Home and Community Care Daily Benefit" in the "Respite Care Benefit" provision is deleted.

The references to the "Home and Community Care Daily Benefit" in the "International Coverage Benefit" provision are deleted.

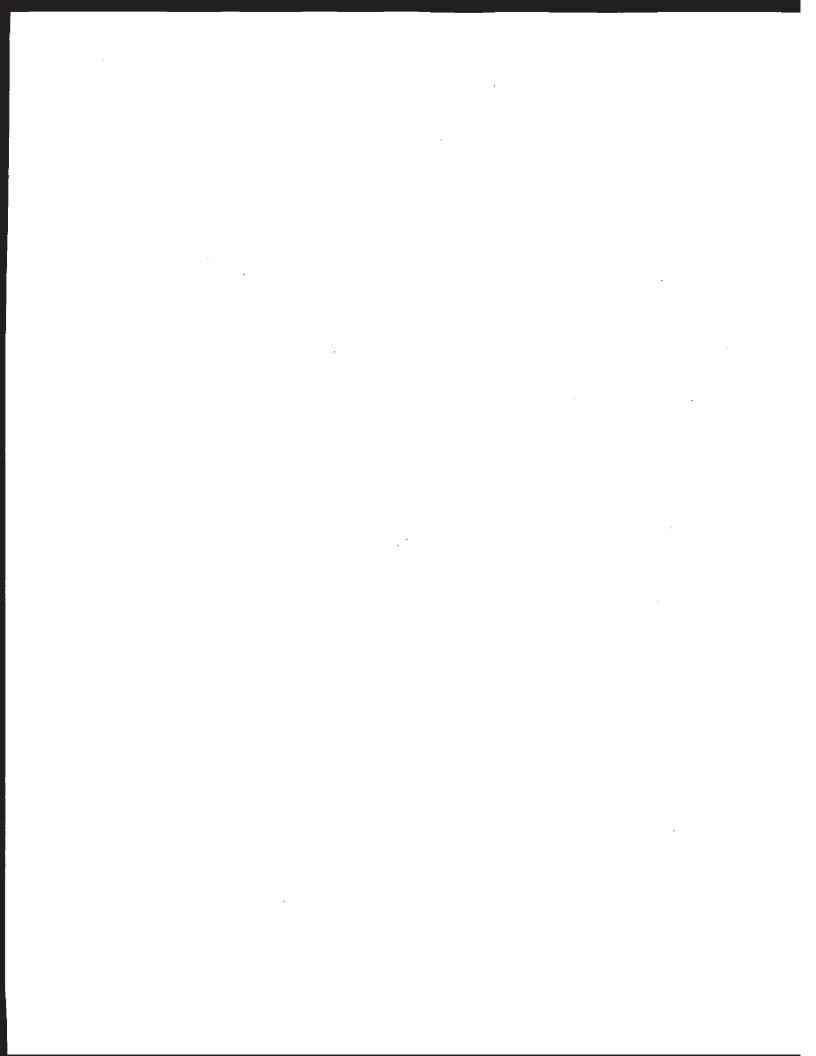
#### Riders and Endorsements

Any references to "Home and Community Care" in any Riders or Endorsements attached to the policy are deleted.

Signed for the Company in Minneapolis, Minnesota and effective on the Effective Date of the policy.

[Suzanne J. Pepin]

[Senior Vice President, Secretary and Chief Legal Officer]



#### INTERNATIONAL COVERAGE BENEFIT ENDORSEMENT

This Endorsement provides benefits if you are outside the fifty United States, the District of Columbia, or Canada, subject to the conditions listed below.

The Company has issued this Endorsement as a part of the policy to which it is attached. This Endorsement is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Endorsement.

#### **Definitions**

International Coverage Maximum Lifetime Benefit is the total amount we will pay in your lifetime for all benefits (other than the Waiver of Premium Benefit) provided under the International Coverage Benefit. The International Coverage Maximum Lifetime Benefit is calculated as 70% of the Facility Care Daily Benefit times 730 days.

International Coverage Remaining Lifetime Benefit on the current Policy Anniversary is the International Coverage Maximum Lifetime Benefit, if any, on the previous Policy Anniversary less the total of all applicable claims paid up to the current Policy Anniversary.

# International Coverage Benefit

If you require Qualified Long Term Care Services, which would otherwise be covered under the Contract, while you are outside the fifty United States, the District of Columbia, or Canada, we will pay the International Coverage Benefit if:

- You are in a designated country as defined in the Visa Waiver Program (VWP);
- · You are eligible for Benefit Payments;
- · You provide us with Proof of Loss and a properly completed Claim Form;
- You provide us with a written certification, completed within the previous 12 months by a similarly accredited Physician or Registered Professional Nurse, verifying that you are Chronically III; and
- You provide us with a written Plan of Care.

For Qualified Long Term Care Services received outside the fifty United States, the District of Columbia, or Canada, we will pay actual expenses up to 70% of the Facility Care Daily Benefit or Home and Community Care Daily Benefit.

All benefits paid under the International Coverage Benefit accumulate toward the Maximum Lifetime Benefit and the International Coverage Maximum Lifetime Benefit. No further benefits will be paid under the International Coverage Benefit once the Maximum Lifetime Benefit or the International Coverage Maximum Lifetime Benefit has been exhausted.

All required documentation must be provided to us in English. Any benefits paid will be paid in United States currency.

Under this Endorsement, no benefits will be payable for the following Riders, if attached to the policy: Waiver of Home and Community Care Elimination Period Rider, Calendar Day Elimination Period Rider, Comprehensive Monthly Indemnity Benefit Rider, Home and Community Care Monthly Benefit Rider, Home and Community Care Monthly Indemnity Benefit Rider, Restoration of Benefits Rider, Spousal Shared Care Rider, and Spousal Waiver of Premium Rider.

For a list of designated countries, as defined in the Visa Waiver Program, please write or call us at the address or telephone number shown on the first page of the policy. If the Visa Waiver Program is discontinued, the succeeding, or a similar, program will apply.

#### Compound **Benefit Increase** Riders

If there is a compound benefit increase Rider attached to the policy, on each Policy Anniversary, the International Coverage Maximum Lifetime Benefit will be increased as follows:

The International Coverage Maximum Lifetime Benefit on the current Policy Anniversary is the International Coverage Maximum Lifetime Benefit on the previous Policy Anniversary, increased by the applicable percentage of the International Coverage Remaining Lifetime Benefit on the current Policy Anniversary. Any limits or increases specified by the compound benefit increase Rider also apply to increases to the International Coverage Maximum Lifetime Benefit. Once the International Coverage Maximum Lifetime Benefit has been exhausted, no further increases for such benefit will occur.

#### Simple Benefit Increase Rider

If the Simple Benefit Increase Rider is attached to the policy, on each Policy Anniversary, the International Coverage Maximum Lifetime Benefit will be increased as follows:

The International Coverage Remaining Lifetime Benefit will also increase by the same proportion as the increase in the daily benefits. Once the International Coverage Maximum Lifetime Benefit has been exhausted, no further increases for such benefit will occur.

Signed for the Company in Minneapolis, Minnesota and effective on the Effective Date of the policy.

[Suzanne J. Pepin] (Senior Vice President, Secretary

and Chief Legal Officer]

Allianz Life Insurance Company of North America [PO Box 1292 Minneapolis, MN 55440-1292]



#### LONG TERM CARE INSURANCE PERSONAL WORKSHEET

People buy long term care insurance for many reasons. Some don't want to use their own assets to pay for long term care. Some buy insurance to make sure they can choose the type of care they get. Others don't want their family to have to pay for care or don't want to go on Medicaid. But long term care insurance may be expensive, and may not be right for everyone.

By state law, the insurance company must fill out part of the information on this worksheet and ask you to fill out the rest to help you and the company decide if you should buy this policy.

| Premium Information (to be filled out by agent)   |  |  |  |  |
|---|--|--|--|--|
| Policy Form Number(s)   |  |  |  |  |
| The premium for the coverage you are considering will be \$ [] per month, or \$ [] per year.  |  |  |  |  |
| Type of Policy: Guaranteed Renewable.   |  |  |  |  |
| The Company's Right to Increase Premiums: The company has a right to increase premiums on this policy form in the future, provided we base the premium increase, by class, for everyone in your state, on the experience of this policy form. We will notify you in writing at least 60 days before your premium changes. |  |  |  |  |
| Rate Increase History The company has sold long term care insurance since 1988 and has sold this policy since [2003]. The company has never raised its rates for any long term care policy it has sold in this state or any other state.  |  |  |  |  |
| Questions Related to Your Income<br>(to be filled out by applicant – proceed to "Disclosure Statement"<br>if you choose not to complete this information)   |  |  |  |  |
| How will you pay each year's premium? (check one) □From my Income □From my Savings\Investments □My Family will pay  |  |  |  |  |
| □Have you considered whether you could afford to keep this policy if the premiums went up, for example, by 20%?   |  |  |  |  |
| What is your annual income? (check one) ☐Under \$10,000 ☐\$[10-20,000] ☐\$[20-30,000] ☐\$[30-50,000] ☐Over \$50,000   |  |  |  |  |
| How do you expect your income to change over the next 10 years? (check one) □No change □Increase □Decrease  |  |  |  |  |
| If you will be paying premiums with money received only from your own income, a rule of thumb is that you may not be able to afford this policy if the premiums will be more than 7% of your income.  |  |  |  |  |
| Will you buy inflation protection? (check one) □Yes □No   |  |  |  |  |
| If not, have you considered how you will pay for the difference between future costs and your daily benefit amount? □From my Income □From my Savings\Investments□My Family will Pay   |  |  |  |  |
| The national average annual cost of care in [2001] was [\$55,000], but this figure varies across the country. In ten years the national average cost would be about [\$89,589] if costs increase 5% annually.   |  |  |  |  |

<sup>&</sup>lt;sup>1</sup> [Long Term Care: Baby Boom Generation Increases Challenge of Financing Needed Services, United States General Accounting Office, March 2001] WS1-VA

| Number of days Approximate cost \$ for that period of care.   |
|---|
| How are you planning to pay for your care during the elimination period? (check one) □From my Income □From my Savings\Investments □My Family will Pay   |
| Questions Related to Your Savings and Investments (to be filled out by applicant)   |
| Not counting your home, about how much are all of your assets (your savings and investments) worth? (check  |
| one)<br>□Under \$20,000 □\$20,000-\$30,000 □\$30,000-\$50,000 □Over \$50,000  |
| How do you expect your assets to change over the next ten years? (check one) □Stay about the same □Increase □Decrease   |
| If you are buying this policy to protect your assets and your assets are less than \$30,000, you may wish to consider other options for financing your long term care.  |
| Disclosure Statement (to be filled out by applicant)  |
| The answers to the questions above describe my financial situation.   |
| Or I choose not to complete this information. (If this box is checked, agent and applicant must complete next sections in order for application to be processed.)   |
| (One of the above boxes, as well as the below box, must be checked.)  |
| PLEASE READ – THE BELOW BOX MUST BE CHECKED  ☐ I acknowledge that the carrier and/or its agent (below) has reviewed this form with me including the premium, premium rate increase history and potential for premium increases in the future. I understand the above disclosures. I understand that the rates for this policy may increase in the future. |
| Signed:   |
| (Applicant) (Date)  |
| ☐ I explained to the applicant the importance of completing this information.   |
| Signed:   |
| (Agent) (Date)  |
| Agent's Printed Name:   |
| In order for us to process your application, please return this signed statement to Allianz Life Insurance Company of North America along with your application.  |
| My agent has advised me that this policy does not seem to be suitable for me. However, I still want the company to consider my application.   |
| Signed:   |
| Signed: (Applicant) (Date)  |
| The company may contact you to verify your answers.   |

WS1-VA

Allianz Life Insurance Company of North America [PO Box 1292 Minneapolis, MN 55440-1292]



# Long Term Care Insurance Potential Rate Increase Disclosure Form

- 1. **Premium Rate**: The premium rate that is applicable to you and that will be in effect until a request is made and approved for an increase is \$[\_\_\_\_\_].
- The premium for this policy will be shown on the schedule page of your policy.
- Rate Schedule Adjustments: Premium rate adjustments will be effective on the next policy anniversary date.
- 4. Potential Rate Revisions:

This policy is Guaranteed Renewable. This means that the rates for this product may be increased in the future. Your rates can NOT be increased due to your increasing age or declining health, but your rates may increase based, by class for everyone in your state, on the experience of this policy form. We will notify you in writing at least 60 days before your premium changes.

If you receive a premium rate or premium rate schedule increase in the future, you will be notified of the new premium amount and you will be able to exercise at least one of the following options:

- Pay the increased premium and continue your policy in force as is.
- Reduce your policy benefits to a level such that your premiums will not increase. (Subject to state law minimum standards.)
- Exercise your nonforfeiture option if purchased. (This option is available for purchase for an additional premium.)
- Exercise your contingent nonforfeiture rights.\* (This option may be available if you do not purchase a separate nonforfeiture option.)

#### \*Contingent Nonforfeiture

If the premium rate for your policy goes up in the future and you didn't buy a nonforfeiture option, you may be eligible for contingent nonforfeiture. Here's how to tell if you are eligible:

You will keep some long-term care insurance coverage, if:

- Your premium after the increase exceeds your original premium by the percentage shown (or more)
  in the following table; and
- You lapse (not pay more premiums) within 120 days of the increase.

The amount of coverage (i.e., new lifetime maximum benefit amount) you will keep will equal the total amount of premiums you've paid since your policy was first issued. If you have already received benefits under the policy, so that the remaining maximum benefit amount is less than the total amount of premiums you've paid, the amount of coverage will be that remaining amount.

Except for this reduced lifetime maximum benefit amount, all other policy benefits will remain at the levels attained at the time of the lapse and will not increase thereafter.

Should you choose this Contingent Nonforfeiture option, your policy, with this reduced maximum benefit amount, will be considered "paid-up" with no further premiums due.

#### Example:

- You bought the policy at age 65 and paid the \$1,000 annual premium for 10 years, so you have paid a total of \$10,000 in premium.
- In the eleventh year, you receive a rate increase of 50%, or \$500 for a new annual premium of \$1,500, and you decide to lapse the policy (not pay any more premiums).
- Your "paid-up" policy benefits are \$10,000 (provided you have at least \$10,000 of benefits remaining under your policy.)

# Contingent Nonforfeiture Cumulative Premium Increase Over Initial Premium that qualifies for Contingent Nonforfeiture

(Percentage increase is cumulative from the date of original issue. It does NOT represent a one-time increase.)

| Issue Age    | Percent Increase Over Initial Premium |
|--------------|---------------------------------------|
| 29 and under | 200%                                  |
| 30-34        | 190%                                  |
| 35-39        | 170%                                  |
| 40-44        | 150%                                  |
| 45-49        | 130%                                  |
| 50-54        | 110%                                  |
| 55-59        | 90%                                   |
| 60           | 70%                                   |
| 61           | 66%                                   |
| 62           | 62%                                   |
| 63           | 58%                                   |
| 64           | 54%                                   |
| 65           | 50%                                   |
| 66           | 48%                                   |
| 67           | 46%                                   |
| 68           | 44%                                   |
| 69           | 42%                                   |
| 70           | 40%                                   |
| 71           | 38%                                   |
| 72           | 36%                                   |
| 73           | 34%                                   |
| 74           | 32%                                   |
| 75           | 30%                                   |
| 76           | 28%                                   |
| 77           | 26%                                   |
| 78           | 24%                                   |
| 79           | 22%                                   |
| 80           | 20%                                   |
| 81           | 19%                                   |
| 82           | 18%                                   |
| 83           | 17%                                   |
| 84           | 16%                                   |

#### Allianz Life Insurance Company of North America P.O. Box 1292 Minneapolis, MN 55440-1292 1-800-950-7372

# **Generation Protector Illustration**A Long Term Care Insurance Policy

Prepared for:

[Mr. Client]
[and]
[Mrs. Client]

Presented by:

[Agent Name]

This illustration is a general description of benefits selected and is not a contract. Please refer to the accompanying Outline of Coverage for details. Specific benefits payable are governed by the policy form for your state. The policy form number illustrated is [10-P-Q-VA].

QUALIFIED TAX STATUS: This illustrates a Long Term Care policy intended to qualify for favorable federal tax treatment. As such, it must meet certain federal standards, in addition to all applicable standards in the state in which this Contract was issued or issued for delivery. If you have any questions regarding the tax qualifications of this Contract, you should direct such questions to the appropriate federal agency, or you should contact your tax advisor.

GUARANTEED RENEWABLE: The policy is guaranteed renewable for life. Premium rates are subject to change. You may renew the policy for the rest of your life. To renew, just pay the premium due. It must be paid on or before the due date. We cannot refuse to renew the policy if the premium is paid on time. [The policy will be paid-up once you have paid premiums until the later of the first policy anniversary after attained age 80 or 15 policy years.] Premium rates are guaranteed not to change for the first five policy years. After the fifth year, the company may change the premium rates, but only if we base the premium change, by class for everyone in your state, on the experience of this policy form. We will give you at least 60 days written notice at your last address shown on our records before we change your premium rates.

This is an illustration only, not an offer, contract, or promise of future policy performance. Coverage is subject to the terms and conditions of the policy. This illustration is not valid without all [4] pages.

[Agent: Joe Agent] [April 5, 2001 3:27pm 10-ILL-VA] [Ver. 3.702A] [State: VA]

# Allianz Life Insurance Company of North America **Generation Protector**

### **Basic Plan**

[Mr. Client][Preferred]

[Male] Age:[65]

Elimination Period: [90 days]

[Total Spousal][Annual] Premium: \$[3,990.84]

Needs to be satisfied only once

#### POLICY BENEFITS SELECTED

| Facility Care Daily Benefit           | \$[100]     |
|---------------------------------------|-------------|
| Home and Community Care Daily Benefit | \$[100]     |
| Benefit Period                        | [5] years   |
| Maximum Lifetime Benefit              | \$[182,500] |
| Elimination Period                    | [90] days   |

#### OPTIONAL BENEFITS SELECTED

Illustrated values include the following additional benefits:

#### [5% Lifetime Compound Benefit Increase Rider

Each year your Facility Care Daily Benefit and remaining Maximum Lifetime Benefit both increase by 5% of the previous year's amounts.]

#### [Shortened Benefit Rider

If you lapse your policy after 3 years, coverage will continue until the total of benefits paid equals the greater of the total premiums you paid or thirty times the Facility Care Daily Benefit in effect on the date of the lapse.]

#### Restoration of Benefits Rider

Restores the full maximum value of benefits after you recover from an illness and your benefits are not payable for 180 consecutive days.]

#### **PREMIUMS**

| Comprehensive Care Plan                             | [ \$1,030.00] |
|---|---------------|
| [5% Lifetime Compound Benefit Increase Rider]       | [ \$947.60]   |
| [Shortened Benefit Rider]                           | [ \$514.18]   |
| [Restoration of Benefits Rider]                     | [ \$99.67]    |
|   |               |
| TOTAL ANNUAL PREMIUM                                | [\$2,591.45]  |
| [TOTAL ANNUAL PREMIUM LESS SPOUSAL POLICY DISCOUNT] | [\$1,814.02]  |

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[Agent: Joe Agent] [April 5, 2001 3:27pm 10-ILL-VA]

[Ver. 3.702A] [State: VA]

# [Allianz Life Insurance Company of North America **Generation Protector**

**Basic Plan** 

[Mrs. Client][Preferred]

[Female] Age:[65]

Elimination Period: [90 days]

[Total Spousal][Annual] Premium: \$[3.990.84]

Needs to be satisfied only once

#### POLICY BENEFITS SELECTED

| Facility Care Daily Benefit           | \$[120]         |
|---------------------------------------|-----------------|
| Home and Community Care Daily Benefit | <b>\$</b> [120] |
| Benefit Period                        | [5] years       |
| Maximum Lifetime Benefit              | \$[219,000]     |
| Elimination Period                    | [90] days       |

#### OPTIONAL BENEFITS SELECTED

Illustrated values include the following additional benefits:

[5% Lifetime Compound Benefit Increase Rider

Each year your Facility Care Daily Benefit and remaining Maximum Lifetime Benefit both increase by 5% of the previous year's amounts.]

**Shortened Benefit Rider** 

If you lapse your policy after 3 years, coverage will continue until the total of benefits paid equals the greater of the total premiums you paid or thirty times the Facility Care Daily Benefit in effect on the date of the lapse.]

#### Restoration of Benefits Rider

Restores the full maximum value of benefits after you recover from an illness and your benefits are not payable for 180 consecutive days.]

#### **PREMIUMS**

| Comprehensive Care Plan   | [ \$1,236.00]                 |
|---|-------------------------------|
| [5% Lifetime Compound Benefit Increase Rider]                               | [\$1, 137.12]                 |
| [Shortened Benefit Rider]   | [ \$617.01]                   |
| [Restoration of Benefits Rider]   | [\$ 119.61]                   |
| TOTAL ANNUAL PREMIUM<br>[TOTAL ANNUAL PREMIUM LESS SPOUSAL POLICY DISCOUNT] | [\$3,190.74]<br>[\$2,176.82]] |

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[Agent: Joe Agent] [April 5, 2001 3:27pm 10-ILL-VA] [Ver. 3.702A] [State: VA]

#### ية بالكو ما يوم

## Allianz Life Insurance Company of North America Generation Protector Supplement

As we grow older, the risk of needing continued care at home or the possibility of a prolonged Nursing Home stay continues to increase. Long Term Care services range from help with day to day activities (such as bathing or dressing) to more complex services such as Nursing Care.

The need for Long Term Care services may suddenly arise from an accident, major illness, such as stroke or heart attack, or gradually become evident as more and more assistance is needed with the activities of daily living.

The cost for these services can be substantial. Long Term Care Insurance provides the means to help pay for the services needed and maintain your financial and emotional independence.

Your Allianz Life Representative will work with you to select the plan which best meets your needs. Today, you are healthy and active with a good chance to qualify, so why wait?

Still, Long Term Care Insurance may not be suitable for everyone. Carefully examine your own individual needs, health status, retirement objectives and financial resources. A review of your financial assets, the reasons you want to protect them and your ability to pay the premiums will help determine if Long Term Care Insurance is right for you. Your Allianz Life Representative will work with you to select the plan which best meets your needs.

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### Allianz Life Insurance Company of North America P.O. Box 1292 Minneapolis, MN 55440-1292 1-800-950-7372

# Generation Protector Illustration

A Long Term Care Insurance Policy

Prepared for: [Mrs. Client]

Presented by: [Joe Agent]

This illustration is a general description of benefits selected and is not a contract. Please refer to the accompanying Outline of Coverage for details. Specific benefits payable are governed by the policy form for your state. The policy form number illustrated is [10-P-Q-VA]

QUALIFIED TAX STATUS: This illustrates a Long Term Care policy intended to qualify for favorable federal tax treatment. As such, it must meet certain federal standards, in addition to all applicable standards in the state in which this Contract was issued or issued for delivery. If you have any questions regarding the tax qualifications of this Contract, you should direct such questions to the appropriate federal agency, or you should contact your tax advisor.

GUARANTEED RENEWABLE: The policy is guaranteed renewable for life. Premium rates are subject to change. You may renew the policy for the rest of your life. To renew, just pay the premium due. It must be paid on or before the due date. We cannot refuse to renew the policy if the premium is paid on time. [The policy will be paid-up once you have paid premiums until the later of the first policy anniversary after attained age 80 or 15 policy years.] Premium rates are guaranteed not to change for the first five policy years. After the fifth year, the company may change the premium rates, but only if we base the premium change, by class for everyone in your state, on the experience of this policy form. We will give you at least 60 days written notice at your last address shown on our records before we change your premium rates.

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[Agent: Joe Agent] [April 5, 2001 3:27pm 10-ILL-VA]

# Allianz Life Insurance Company of North America **Generation Protector**

## **Basic Plan**

[Mrs. Client] [Preferred] Elimination Period: [90] days

[Female] Age:[60]

[Annual] Premium: \$[1,607.46]

### POLICY BENEFITS SELECTED

| Facility Care Daily Benefit           | \$[120]     |
|---------------------------------------|-------------|
| Home and Community Care Daily Benefit | \$[120]     |
| Benefit Period                        | [5] years   |
| Maximum Lifetime Benefit              | \$[219,000] |
| Elimination Period                    | [90] days   |

### OPTIONAL BENEFITS SELECTED

Illustrated values include the following additional benefits:

### [5% Lifetime Compound Benefit Increase Rider

Needs to be satisfied only once

Each year your Facility Care Daily Benefit and remaining Maximum Lifetime Benefit both increase by 5% of the previous year's amounts.]

### [Shortened Benefit Rider

If you lapse your policy after 3 years, coverage will continue until the total of benefits paid equals the greater of the total premiums you paid or thirty times the Facility Care Daily Benefit in effect on the date of the lapse.]

### [Restoration of Benefits Rider

Restores the full maximum value of benefits after you recover from an illness and your benefits are not payable for 180 consecutive days.]

### [Accelerated Premium Rider

Accelerate premium payments during the first ten policy years, then pay lower premium amount as you mature.1

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[Agent: Joe Agent] [April 5, 2001 3:27pm 10-ILL-VA]

# Allianz Life Insurance Company of North America Generation Protector Basic Plan

[Mrs. Client][Preferred]

Elimination Period: [90] days

[Female] Age:[60]

[Annual] Premium: \$[1,607.46]

Needs to be satisfied only once

# PREMIUMS (Premium adjustments associated with the Accelerated Premium Rider are included in these figures)

| Premium for first ten policy years:                | ,            |
|--|--------------|
| Comprehensive Care Plan                            | [\$1,192.80] |
| [5% Lifetime Compound Benefit Increase Rider]      | [\$1,300.15] |
| [Shortened Benefit Rider]                          | [\$ 598.31]  |
| [Restoration of Benefits Rider]                    | [\$ 123.65]  |
| TOTAL ANNUAL PREMIUM YEARS 1-10                    | [\$3,214.91] |
| [TOTAL ANNUAL PREMIUM LESS MARRIED POLICY DISCOUNT | \$2,732.67]  |
| Premium for policy years eleven and beyond:        |              |
| Comprehensive Care Plan                            | [\$ 596.40]  |
| [Lifetime Compound Benefit Increase Rider]         | [\$ 650.08]  |
| [Shortened Benefit Rider]                          | [\$ 299.16]  |
| [Restoration of Benefits Rider]                    | [\$ 61.83]   |
| TOTAL ANNUAL PREMIUM YEARS 11+                     | [\$1,607.46] |
| [TOTAL ANNUAL PREMIUM LESS MARRIED POLICY DISCOUNT | \$1,366.34]  |

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[Agent: Joe Agent] [April 5, 2001 3:27pm 10-ILL-VA]

# Allianz Life Insurance Company of North America Generation Protector Supplement

As we grow older, the risk of needing continued care at home or the possibility of a prolonged Nursing Home stay continues to increase. Long Term Care services range from help with day to day activities (such as bathing or dressing) to more complex services such as Nursing Care.

The need for Long Term Care services may suddenly arise from an accident, major illness, such as stroke or heart attack, or gradually become evident as more and more assistance is needed with the activities of daily living.

The cost for these services can be substantial. Long Term Care Insurance provides the means to help pay for the services needed and maintain your financial and emotional independence.

Your Allianz Life Representative will work with you to select the plan which best meets your needs. Today, you are healthy and active with a good chance to qualify, so why wait?

Still, Long Term Care Insurance may not be suitable for everyone. Carefully examine your own individual needs, health status, retirement objectives and financial resources. A review of your financial assets, the reasons you want to protect them and your ability to pay the premiums will help determine if Long Term Care Insurance is right for you. Your Allianz Life Representative will work with you to select the plan which best meets your needs.

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[Agent: Joe Agent] [April 5, 2001 3:27pm 10-ILL-VA]

### Allianz Life Insurance Company of North America

Post Office Box 1292 Minneapolis, Minnesota 55440-1292

### **ACTUARIAL MEMORANDUM**

### LONG TERM CARE INSURANCE POLICY AND RIDERS:

Series 10-P-Q

### I. PURPOSE OF MEMORANDUM

The purpose of this memorandum is to provide actuarial information supporting rates for Allianz' Individual Long Term Care Product and to demonstrate the reasonableness of benefits relative to premiums. This filing is not intended to be used for other purposes.

### II. MARKETING METHOD

Sales will be conducted by individual agents, who will sell primarily on an individual policy basis. The majority of policies are expected to be issued to ages 50 - 70.

### III. UNDERWRITING METHODOLOGY

Strict underwriting criteria are administered with frequent utilization of medical records, paramedical functional assessments, and personal history interviews.

### IV. POLICY INFORMATION

This plan is a Guaranteed Renewable, Tax Qualified, Individual Long Term Care Product. Premiums vary by issue age and are projected to be level for the duration of the policy, unless modified by the Limited Pay Rider or Accelerated Premium Rider. Premium rates are guaranteed for the first five years of the policy.

Several coverage options are available, and are detailed later in this memo:

- Various Maximum Benefit Periods
- Various Daily Benefit Amounts
- · Various Elimination Periods
- Facility Care Plan with three Home and Community Care Benefit levels
- Separate rates for Preferred Plus, Perferred, Standard, Class I, and Class II lives
- Separate rates for spousal, married and single lives

In addition, several optional riders are available as described below.

### V. ELIGIBILITY CRITERIA

To be eligible for benefits:

- The insured must need substantial assistance to perform at least two out of six activities of daily living (ADLs) for at least 90 consecutive days due to a loss of functional capacity; or
- The insured requires substantial supervision due to a cognitive impairment.

The six ADLs are bathing, continence, dressing, eating, toileting, and transferring.



### VI. BENEFIT AMOUNT

Policies are available with a benefit period of 2, 3, 4, 5, or 8 years, or lifetime. The Maximum Lifetime Benefit is a single pool of money calculated as the Facility Care Daily Benefit times 365 times the benefit period (in years). The Facility Care Daily Benefit can vary from \$100 to \$500, in increments of \$10. The Home and Community Care Daily Benefit is 70, 100, or 130% of the Facility Care Daily Benefit.

### VII. ELIMINATION PERIOD

Policies are available with an elimination period of 7, 30, 60, 90, or 180 days. Each day of covered services counts toward the elimination period (days need not be consecutive). The elimination period must be satisfied only once for the life of the policy.

### VIII. BASE POLICY BENEFITS

- A. Facility Care Benefit Reimbursement of expenses incurred up to the Facility Care Daily Benefit for care provided in a nursing facility or assisted living facility. Benefits paid are deducted from the Maximum Lifetime Benefit.
- B. Home and Community Care Benefit This benefit reimburses expenses incurred up to the Home and Community Care Daily Benefit for adult day care, home care, and hospice care. Home care includes professional nursing care, care by a home health aide, therapeutic care, and homemaker services. Benefits paid are deducted from the Maximum Lifetime Benefit.
- C. Alternative Plan of Care Benefit This benefit provides for services or care not normally covered under other benefit provisions in the policy, for example, equipment purchases or rentals, or modifications to the home. Benefits paid are deducted from the Maximum Lifetime Benefit.
- D. Bed Reservation Benefit If the insured temporarily leaves the care facility, this benefit will continue to pay the Facility Care Benefit as if they were still confined to that facility. This benefit is payable for a maximum of 60 days per calendar year. Benefits paid are deducted from the Maximum Lifetime Benefit.
- E. Caregiver Training Benefit A one time benefit equal to five times the Facility Care Daily Benefit is available to reimburse expenses incurred for an informal caregiver to receive training to take care of the insured at home. The elimination period does not apply to this benefit, and benefits paid are deducted from the Maximum Lifetime Benefit.
- F. Respite Care Benefit This benefit reimburses expenses incurred up to the Facility Care Daily Benefit, or Home and Community Care Daily Benefit, as appropriate, for short term care to relieve an informal care giver. This benefit is available for up to 30 days per calendar year. The elimination period does not apply to this benefit, and benefits paid are deducted from the Maximum Lifetime Benefit.
- G. Nursing Facility Recovery Benefit If Facility Care Benefits are paid for 12 continuous months, and the insured recovers (is no longer chronically ill), the policy becomes paid up.
- H. Waiver of Premium Benefit If the insured is eligible to receive benefits, their premiums will be waived as they come due. This benefit does not reduce the Maximum Lifetime Benefit.



I. Care Coordination Advisor Benefit – The insured may choose to utililize the services of a care coordination advisor to help determine and monitor their care. This service is not required to obtain benefits under the policy, and it will not reduce the Maximum Lifetime Benefit.

### IX. OPTIONAL BENEFIT RIDERS

### A. NONFORFEITURE BENEFITS:

- Shortened Benefit Rider This rider provides the nonforfeiture benefit as adopted by the NAIC.
   If the policy has been in force for at least three years and lapses due to nonpayment of
   premiums, coverage will continue but the maximum benefit payable is limited the total premiums
   paid for the contract, subject to a minimum of thirty times the Facility Care Daily Benefit. No
   further benefit increases will occur under any inflation protection rider, if attached to the policy.
- 2. Return of Premium Upon Death Rider At the death of the insured, this rider pays a benefit equal to the total premium paid less benefits paid.
- 3. Full Return of Premium Upon Death Rider At the death of the insured, this rider pays a benefit equal to the total premium paid.
- 4. Contingent Benefit Upon Lapse This benefit is provided (without charge) if the Shortened Benefit Rider is not chosen. If the cumulative premium increase is considered substantial, the insured has the option to convert the coverage to a paid-up status with a shortened benefit period.

### B. INFLATION PROTECTION (only one benefit in this section may be elected):

- 1. 3% Lifetime Compound Benefit Increase Rider This rider increases the daily benefit and remaining lifetime benefit by 3%, compounded annually. Increases are made regardless of claim status.
- 2. 4% Lifetime Compound Benefit Increase Rider This rider increases the daily benefit and remaining lifetime benefit by 4%, compounded annually. Increases are made regardless of claim status.
- 5% Lifetime Compound Benefit Increase Rider This rider increases the daily benefit and remaining lifetime benefit by 5%, compounded annually. Increases are made regardless of claim status.
- 4. Two Times Compound Benefit Increase Rider This rider increases the daily benefit and remaining lifetime benefit by 5%, compounded annually, until the daily benefit equal two times the original daily benefit. Increases are made regardless of claim status.
- 5. Simple Benefit Increase Rider This rider increases the daily benefit by 5% of the original amount issued. The remaining lifetime benefit will be increased by the same proportion as the daily benefit. Increases are made regardless of claim status.



### C. BASE BENEFIT ENHANCEMENTS:

- Restoration of Benefits Rider The Maximum Lifetime Benefit is restored if, for 180 consecutive days, the insured is not receiving benefit payments, is not eligible for benefits, and is no longer chronically ill.
- Comprehensive Monthly Indemnity Benefit Rider A monthly indemnity benefit is payable in any month that a benefit payment is received on the base policy (except for Alternative Plan of Care Benefits). This number of benefit payments is limited to the lesser of two times your Benefit Period in months or 120 Monthly Indemnity Benefit payments.
- 3. Home Care Monthly Indemnity Benefit Rider A monthly indemnity benefit is payable in in any month that a Home and Community Care benefit payment is received on the base policy (except for Alternative Plan of Care Benefit). This number of benefit payments is limited to the lesser of two times your Benefit Period in months or 120 Home Care Monthly Indemnity Benefit payments.
- 4. Home and Community Care Monthly Benefit Rider The Maximum Home and Community Care Benefit will be a monthly limit versus a daily limit. The Maximum monthly benefit equals the number of days in the month times the Home and Community Care Daily Benefit on a monthly basis for the actual expenses incurred during the month.
- Calendar Day Elimination Period Rider This rider changes the elimination period from service days to calendar days. Each calendar day beginning with the first day that you receive Qualified Long Term Care Services until you are no longer Chronically III will count toward your Elimination Period.
- 6. Waiver of the Home and Community Care Elimination Period Rider This rider waives your elimination period while you are receiving Home and Community Care. In addition, each day that you receive Home and Community Care Benefits will count towards your elimination period.

### D. PREMIUM PAYMENT OPTIONS:

- 1. Limited Pay Rider The policy will become paid up at the later of age 80 or 15 policy years.
- 2. Accelerated Premium Rider In the first ten policy years, the insured pays a higher premium than would have been paid without the rider, and in years eleven and beyond, pays a lower premium than would have been paid without the rider.

### E. SPOUSAL RIDER BENEFITS:

- 1. Spousal Discount Rider A 30% premium discount is provided to both insureds provided they live together, are married, and each purchase a contract.
- 2. Married Discount Rider A 15% premium discount is provided to the insured provided the insured is married and lives with his or her spouse.
- 3. Spousal Shared Care Rider If the insured exhausted his Maximum Lifetime Benefit, he may access all but one year of the insured spouse's Maximum Lifetime Benefit. Both insured spouses must purchase this rider to receive this benefit. Upon death of one insured spouse, the



- remaining lifetime benefits of the spouse less 365 times the facility care daily benefit, if any are transferred to the surviving insured spouse.
- Spousal Waiver of Premium Rider If one insured spouse's premiums are being waived, then
  the other insured's premium is also waived. Both insured spouses must purchase this rider to
  receive this benefit.
- 5. Spousal Survivorship Rider If the insured spouse dies after both their policy and the other insured's policy have been inforce for at least ten years, then the survivor's policy becomes paid up. Both insured spouses must purchase this rider to receive this benefit.

### X. ACTUARIAL ASSUMPTIONS

A. Morbidity - Claim costs were provided by Milliman USA based on their internal long term care guidelines. These guidelines have been developed by several Milliman USA offices and reflect actual experience of various carriers, numerous studies of non-insurance data and judgement.

Claim costs are adjusted to reflect:

- Underwriting and issue criteria
- Reduced exposure for insureds already in the nursing home
- Waiver of premium benefits
- Salvage
- Other additional and optional benefits
- B. Persistency Lapse rates vary by COLA option, duration and premium payment pattern. They are based on our own insured experience.

### For policies with no inflation protection

|          | Lifetime | Limited Pay | Accelerated |
|----------|----------|-------------|-------------|
| Duration | Premium  | Premium     | Premium     |
| 1        | 7%       | 7%          | 7%          |
| 2        | 5        | 5           | 5           |
| 3        | 4        | 4           | 4           |
| 4        | 3        | 3           | 3           |
| 5-9      | 2.5      | 2.5         | 2.5         |
| 10       | 2.5      | 2.5         | 2           |
| 11       | 2.5      | 2           | 2           |
| 12       | 2.5      | 1.5         | 2           |
| 13       | 2.5      | 1           | 2           |
| 14       | 2.5      | 0.5         | 2           |
| 16+      | 2.5      | 0*          | 2           |



For policies with 5% Lifetime Compound Benefit Increase Rider

|          | Lifetime | Limited Pay | Accelerated |
|----------|----------|-------------|-------------|
| Duration | Premium  | Premium     | Premium     |
| 1        | 5%       | 5%          | 5%          |
| 2        | 3        | 3           | 3           |
| 3        | 2        | 2           | 2           |
| 4        | 1.5      | 1.5         | 1.5         |
| 5-9      | 1.5      | 1.5         | 1.5         |
| 10       | 1.5      | 1.5         | 1           |
| 11       | 1.5      | 1.2         | 1           |
| 12       | 1.5      | 0.9         | 1           |
| 13       | 1.5      | 0.6         | 1           |
| 14       | 1.5      | 0.3         | 1           |
| 16+      | 1.5      | 0*          | 1           |

For policies with 3%, 4% Lifetime Compound Benefit Increase Rider
Or Simple Benefit Increase Rider

| Duration | Lifetime<br>Premium | Limited Pay<br>Premium | Accelerated<br>Premium |
|----------|---------------------|------------------------|------------------------|
| 1        | 6%                  | 6%                     | 6%                     |
| 2        | 4                   | 4                      | 4                      |
| 3        | 3                   | 3                      | 3                      |
| 4        | 2                   | 2                      | 2                      |
| 5-9      | _ 2                 | 2                      | 2                      |
| 10       | 2                   | 2                      | 1.5                    |
| 11       | 2                   | 1.6                    | 1.5                    |
| 12       | 2                   | 1.2                    | 1.5                    |
| 13       | 2                   | 0.8                    | 1.5                    |
| 14       | 2                   | 0.4                    | 1.5                    |
| 16+      | 2                   | 0*                     | 1.5                    |

<sup>\*</sup> Assume 0% beginning at the later of year 16 or age 81.

- C. Mortality 1994 Group Annuity Reserving Table, with select factors of .5, .6, .7, .8, .9, 1.0 (years 6+), and with future mortality improvements that match morbidity improvements: 1% per year for 8 years for ages 65 and younger. For ages 66 and older, 1% per year for 5 years.
- D. Commissions There are two options:

| Issue Age | Year 1 | Years 2 - 10 | Years 11+ |
|-----------|--------|--------------|-----------|
| Option 1  | 99%    | 12%          | 6%        |
| Option 2  | 84%    | 14%          | 14%       |



### E. Expenses -

Acquisition (per life):

| Age 42 | Age 47 | Age 52 | Age 57 | Age 62 | Age 67 | Age 72 | Age 77 | Age 82 |
|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| \$550  | 575    | 600    | 625    | 650    | 675    | 700    | 725    | 750    |

Maintenance Expense: \$60 all years

Claims Administration: 5% of incurred claims

Premium Tax: 2.5% of premium

- F. Investment Income 6.5% in all years
- G. Statutory Reserves Policy reserves are based on claim costs developed for this plan. A one-year preliminary term method with 1994 GART mortality and 4.5% interest has been used. Lapse rates and selection factors are included in the reserve calculations. A complete description of the Statutory Reserves is located in Attachment 5 and sample calculations are in Exhibits 1 and 2.

This reserve basis is consistent with the current NAIC "Health Insurance Reserves Model Regulation".

A table of anticipated policy reserves is found in Attachment 4.

Claim reserves are based on the claim amount, the 1985 Non Nursing Home Study, and 4.5% interest. The inflation protection riders are incorporated via multiplying the daily benefit in future years.

45%

H. Distribution of Business – The following is the expected distribution of business.

Male

| Female           | 55 |
|------------------|----|
| 0)/ 0            |    |
| 2 Year Benefit   | 2% |
| 3 Year Benefit   | 16 |
| 4 Year Benefit   | 8  |
| 5 Year Benefit   | 26 |
| 8 Year Benefit   | 6  |
| Lifetime Benefit | 42 |



| 18-44 | 3%  |
|-------|-----|
| 45-49 | 6   |
| 50-54 | 15  |
| 55-59 | 25  |
| 60-64 | 22  |
| 65-69 | 20  |
| 70-74 | 6   |
| 75-79 | _ 2 |
| 80-84 | 1   |

- 1. Average Issue Age The expected median issue age is 60.
- J. Average Annual Premium The expected average annual individual premium, including riders, is \$1,756.
- K. The model was run with the moderately adverse conditions listed below and under them the IRR remained at an acceptable level.
- 10% increase in claim costs
- 1% lower lapse rates in all years
- 1% lower return on investment income
- a combination of a 5% increase in claim costs plus a 0.5% lower lapse rates in all years plus a 0.5% lower return on investment income.
- L. Premiums were developed using the assumptions detailed in this memo taking into account company profit goals and moderately adverse experience. Both IRR and profit margin were used to measure profitability.

### XI. GROSS PREMIUMS AND PREMIUM FACTORS:

This plan is a guaranteed renewable individual long term care product.

Premiums are unisex, vary by issue age, and are guaranteed for the first five years of the policy. Premiums are priced to sufficiently cover anticipated costs, and the premium is reasonably expected to be sustainable over the life of the policy with no future premium increase anticipated. A premium increase may be requested, however, due to deviations in actual experience relative to any pricing assumptions, and any change in premium rates will apply to all policies in the same class.

Policies are issued to ages 18-84 on an age last birthday basis. Gross annual premiums for a Preferred risk, 90-day elimination period are shown in Attachment One. Rider Premiums are listed in Attachments Two and Three.

In addition, the rates are subject to the following adjustments and factors for plan variations:

A. Elimination Period Factors -

| 7 Day   | 1.30 |
|---------|------|
| 30 Day  | 1.20 |
| 60 Day  | 1.08 |
| 90 Day  | 1.00 |
| 180 Day | 0.90 |



B. Risk Classes - Preferred risk premiums are shown in Attachment One. The following factors are applied to the Preferred Risk premiums to obtain premiums for the other risk classes:

| Preferred Plus: | 0.85 |
|-----------------|------|
| Preferred:      | 1.00 |
| Standard        | 1.20 |
| Select I:       | 1.50 |
| Select II:      | 1.80 |

- C. Discounts Premium rates will be discounted when the Company negotiates with an association or employer group (which may include family members) who endorses the product to its employees or members. This discount will be 7% for all ages. In addition, there will be a premium discount of 20% for Allianz employees and their families. There will be a reduction in commissions on policies where these discounts are given.
- D. Modal Premium Factors -

0.087 monthly Pre Authorized Check/Electronic Funds Transfer

0.09 monthly List Bill

0.265 quarterly

0.52 semi-annual

1.00 annual



### XII. ACTUARIAL CERTIFICATION

I hereby certify that to the best of my knowledge and judgement, the following are true with respect to this filing:

The initial rate premium schedule is sufficient to cover anticipated costs under moderately adverse
experience and the premium rate schedule is reasonably expected to be sustainable over the life of
the form with no future premium increases anticipated;

Premium rates which would apply without the margin for moderately adverse experience would be 8% lower than the premium rates shown in the attachments.

The pricing assumptions used in developing these rates are based on our own company experience wherever possible. In particular, our persistency and expense assumptions are based on our own experience. We have relied on consultants to develop appropriate claim costs, but have validated these claim costs to other claim cost studies as well as to our own experience.

- 2. Policy design and coverage provided have been reviewed and taken into consideration;
- 3. Underwriting and claims adjudication processes have been reviewed and taken into consideration;
- 4. Contract reserves contain reasonable margins for adverse experience;
- 5. The net valuation premium for renewal years does not increase;
- 6. The expected difference between the gross premium and the net valuation premium for renewal years is sufficient to cover expected renewal expenses;
- 7. The premium rate schedule is not less than the premium rate schedule for any existing similar policy form available from Allianz Life in this state, except for reasonable differences attributable to benefits.

Martin Kline, F.S.A., M.A.A.A.

Assistant Actuary

8-20-03

Date



Base Premium Rates Preferred Rate Class, 90 Day Elimination Period Rates are per \$10 Facility Care Daily Benefit

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

Facility Care Benefit and 130% Home and Community Care Benefit

| Lifetime | 53    | 53  | 54  | 55 | 99       | 28 | 28 | 9             | 62  | 63 | 65 | 99     | 99 | 71 | 74 | 7.8 | 81 | 82  | 94 | 97 | 104 | 1        | 119 | 129      | 140      | 152                                     | 166 | 180 | 199 | 221 | . 245 | 271          | 301 | 334 | 372 | 413 | 460 | 511 | 268 | 631 | 701 | 6// | 865 | 961              | 200'-   |
|----------|-------|-----|-----|----|----------|----|----|---------------|-----|----|----|--------|----|----|----|-----|----|-----|----|----|-----|----------|-----|----------|----------|---|-----|-----|-----|-----|-------|--------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------------------|---------|
| 8 year   | 43    | 44  | 44  | 45 | 46       | 48 | 49 | 20            | 51  | 52 | 23 | 55     | 26 | 29 | 61 | 64  | 29 | 20  | 75 | 8  | 86  | 91       | 86  | 106      | 13       | 125                                     | 136 | 148 | 164 | 182 | 201   | 223          | 248 | 275 | 305 | 339 | 377 | 418 | 464 | 515 | 571 | 634 | 703 | 780              | 000     |
| 5 year   | 39    | 39  | 4   | 4  | 42       | 43 | 44 | 45            | 46  | 47 | 48 | 49     | 20 | 53 | 22 | 28  | 09 | 63  | 67 | 72 | 77  | 82       | 88  | 92       | <b>5</b> | 113                                     | 122 | 133 | 147 | 163 | 181   | 201          | 222 | 247 | 274 | 304 | 337 | 374 | 415 | 460 | 510 | 266 | 627 | 695              | - 1.1   |
| 4 year   | 36    | 98  | 37  | 38 | 39       | 40 | 41 | 42            | 43  | 44 | 45 | 46     | 47 | 49 | 51 | 잫   | 26 | 29  | 63 | 29 | 72  | 92       | 82  | 68       | 96       | 104                                     | 113 | 123 | 136 | 151 | 167   | 185          | 204 | 227 | 251 | 278 | 309 | 342 | 378 | 418 | 463 | 512 | 566 | 626              | 760     |
| 3 year   | 33    | 33  | 8   | 35 | 35       | 36 | 37 | 88            | 33  | 40 | 4  | 42     | 43 | 45 | 47 | 49  | 53 | 54  | 22 | 61 | 65  | 69       | 74  | 8        | 87       | ቋ                                       | 102 | 111 | 123 | 135 | 120   | 165          | 182 | 202 | 223 | 247 | 273 | 303 | 333 | 367 | 405 | 446 | 492 | 24.5             | 500     |
| 2 year   | 99    | 30  | ္က  | 31 | 32       | 33 | 33 | 8             | 32  | 36 | 37 | 38     | 39 | 40 | 45 | 44  | 46 | 48  | 51 | 22 | 29  | 62       | 29  | 72       | 78       | 85                                      | 92  | 100 | 110 | 122 | 135   | 149          | 164 | 182 | 201 | 222 | 246 | 272 | 300 | 331 | 364 | 401 | 442 | 4<br>8<br>1<br>1 | 200     |
| Lifetime | 48    | 48  | 49  | 22 | 51       | 25 | 54 | સુ            | 28  | 28 | 29 | 9      | 62 | 65 | 89 | 7.  | 74 | 78  | 83 | 68 | 95  | 102      | 109 | 118      | 129      | 140                                     | 152 | 165 | 183 | 203 | 225   | 249          | 276 | 307 | ¥.  | 379 | 422 | 469 | 251 | 579 | 643 | 714 | 794 | 885              | - n/n   |
| 8 year   | 39    | 40  | 40  | 4  | 42       | 43 | 44 | 45            | 46  | 47 | 49 | 20     | 51 | 23 | 26 | 29  | 61 | 64  | 69 | 73 | 79  | 84       | 06  | 6        | 106      | 115                                     | 125 | 136 | 151 | 167 | 185   | 202          | 227 | 252 | 280 | 311 | 345 | 384 | 426 | 472 | 524 | 581 | 645 | 716              | 48/     |
| 5 year   | 35    | ဗ္တ | ဗ္တ | 37 | 38       | ඉ  | 40 | 4             | 45  | 43 | 4  | 45     | 46 | 48 | යි | ß   | KS | 58  | 62 | 88 | 7.1 | 75       | 91  | 88       | ß        | 5                                       | 112 | 122 | 135 | 150 | 166   | <del>2</del> | 204 | 226 | 251 | 279 | 310 | 34  | 381 | 422 | 468 | 519 | 575 | 638              | ים<br>י |
| 4 year   | 33    | 33  | 8   | 32 | 32       | 88 | 37 | 38            | 39  | 40 | 4  | 42     | 43 | 45 | 47 | 49  | 25 | 72  | 28 | 62 | 99  | 2        | 75  | 80       | 88       | 96                                      | 104 | 113 | 125 | 138 | 153   | 169          | 187 | 208 | 230 | 255 | 283 | 314 | 347 | 384 | 425 | 470 | 519 | 574              | 633     |
| 3 year   | 30    | 30  | 30  | 31 | 32       | 33 | 34 | 35            | 36  | 37 | 38 | 33     | 40 | 41 | 43 | 45  | 47 | 49  | 52 | 26 | 90  | 2        | 68  | 74       | 8        | 87                                      | 8   | 102 | 113 | 124 | 137   | 151          | 167 | 185 | 205 | 227 | 251 | 278 | 306 | 337 | 371 | 409 | 451 | 497              | 94g     |
| 2 year   | 27    | 27  | 27  | 28 | 29       | 33 | 30 | 3             | 32  | 33 | 34 | 35     | 36 | 37 | 99 | 41  | 42 | 44  | 47 | 20 | 54  | 24       | 61  | 99       | 72       | 78                                      | 822 | 95  | 101 | 112 | 124   | 136          | 151 | 167 | 184 | 204 | 226 | 250 | 275 | 303 | 334 | 368 | 406 | 447              | 493     |
| Lifetime | 46    | 46  | 47  | 48 | 64       | ନ  | 52 | 23            | শ্র | 56 | 22 | 28     | 99 | 63 | 99 | 8   | 72 | 192 | 81 | 88 | 92  | 86       | 104 | 114      | 123      | 134                                     | 146 | 159 | 176 | 195 | 216   | 539          | 265 | 294 | 327 | 364 | 405 | 450 | 200 | 556 | 617 | 989 | 762 | 849              | 940     |
| 8 year   | 38    | 88  | 33  | 40 | <b>4</b> | 45 | 43 | 44            | 45  | 46 | 47 | 4<br>8 | 49 | 52 | ጀ  | 2,  | 8  | 62  | 67 | 7  | 92  | <u>φ</u> | 87  | 8        | 102      | ======================================= | 121 | 131 | 145 | 161 | 178   | 198          | 219 | 243 | 270 | 300 | 333 | 370 | 411 | 456 | 906 | 561 | 623 | 691              | 90/     |
| 5 year   | 34    | 8   | 35  | 38 | 37       | 38 | 39 | <del>\$</del> | 4   | 42 | 43 | 44     | 45 | 47 | 49 | 5   | ফ  | 99  | 09 | 2  | 69  | 73       | 78  | <b>8</b> | 85       | 9                                       | 109 | 118 | 131 | 145 | 161   | 179          | 198 | 22  | 244 | 271 | 300 | 333 | 369 | 410 | 454 | 503 | 558 | 619              | 680     |
| 4 year   | 32    | 32  | 33  | 34 | 34       | 35 | 36 | 37            | 38  | 39 | 4  | 4      | 42 | 43 | 45 | 48  | 20 | 52  | 26 | 9  | 64  | 68       | 73  | 79       | 98       | . 93                                    | 101 | 110 | 121 | 134 | 149   | 164          | 182 | 202 | 224 | 248 | 275 | 304 | 337 | 372 | 412 | 455 | 504 | 557              | 919     |
| 3 year   | 29    | ನ   | 58  | 8  | 3        | 32 | 33 | 34            | 35  | 36 | 37 | 38     | 33 | 40 | 42 | 44  | 46 | 84  | 51 | 55 | 28  | 62       | 99  | 72       | 78       | 2                                       | 92  | 66  | 110 | 121 | 134   | 148          | 163 | 180 | 200 | 221 | 245 | 271 | 298 | 329 | 362 | 388 | 440 | 485              | 534     |
| 2 year   | 26    | 8   | 56  | 27 | 28       | 53 | 53 | 90            | 3   | 32 | 33 | 34     | 33 | 36 | 38 | 4   | 4  | 43  | 46 | 49 | 53  | 28       | 09  | 92       | 7        | 9/                                      | 83  | 8   | 66  | 110 | 121   | <u> </u>     | 148 | 163 | 181 | 200 | 221 | 245 | 270 | 297 | 328 | 361 | 398 | 438              | 483     |
| Age      | 18-40 | 4   | 42  | 43 | 4        | 45 | 46 | 47            | 48  | 49 | 20 | 5      | 52 | 53 | 72 | 55  | 26 | 25  | 28 | 29 | 09  | - 61     | 62  | 63       | 64       | 65                                      | 99  | 67  | 89  | 69  | 2     | 71           | 72  | 73  | 74  | 75  | 9/  | 77  | 78  | 79  | 80  | 81  | 82  | 83               | \$      |
|          | l     |     |     |    |          |    |    |               |     |    |    |        |    |    |    |     |    |     |    |    |     |          |     |          |          |   |     |     |     |     | ,     |              |     |     |     |     |     |     |     |     |     |     |     |                  |         |



Factors applied to base premlum rates

| ,   | Spousat                                 | Care                         | 1.09   | 1.08   | 1.07   | 1.06   | 1.04   | ۷<br>Z   |      |                                    |                                    |                                 |      | ,    | 1.06                | 1.03                      | 1.02                | 1.12             |      |                            | 1.30  | 1.20   | 1.08   | 1.00   | 0.90    |      |      |                    | 0.85           | 1.00        | 1.20     | 1.50   | 1.80      |      | 000                   | 0.520                | 2000       | 0.205     | 080.0        | 0.087           |      | 000              | 0.85    | 0.70    |      |              |              |
|-----|---|------------------------------|--------|--------|--------|--------|--------|----------|------|------------------------------------|------------------------------------|---------------------------------|------|------|---------------------|---------------------------|---------------------|------------------|------|----------------------------|-------|--------|--------|--------|---------|------|------|--------------------|----------------|-------------|----------|--------|-----------|------|-----------------------|----------------------|------------|-----------|--------------|-----------------|------|------------------|---------|---------|------|--------------|--------------|
|     | Restoration                             | of Benefits                  | 1.08   | 1.05   | 1.04   | 104    | 1.04   | 4<br>2   | i    | Restoration of Benefits and Shared | Care riders are not available with | period option.                  |      | į    | Benefit             | er of Premium             | Day EP              | EP               | !    | riod Factors               |       |        |        |        |         |      |      | ctors              |                |             |          |        |           |      | m ractors             |                      |            |           |              | 11              |      | ors              |         |         |      |              |              |
|     | Bonefit                                 | Period                       | 2 year | 3 year | 4 year | 5 year | 8 year | Lifetime |      | Restoration of E                   | Care riders are                    | Lifetime benefit period option. |      |      | HCC Monthly Benefit | Spousal Waiver of Premium | HCC Calendar Day EP | Walver of MCC EP |      | Elimination Period Factors | 7 Day | 30 Day | 60 Day | 90 Day | 180 Day |      |      | Risk Class Factors | Preferred Plus | Preferred   | Standard | Select | Select II |      | Modal Premium Factors | Annual<br>Comit come | oemi-ammag | Quarterly | Monthly Bill | Monthly PAC/EFT | 1    | Discount Factors | Married | Spousal |      |              |              |
|     | To an Oak                               | Survivorship                 | 1.15   | 1.15   | 1,15   | 1.15   | 1.15   | 1,15     | 1.15 | 1.15                               | 1.15                               | 1.15                            | 1.15 | 1.15 | 1.15                | 1,15                      | 1.15                | 1.15             | 1.14 | 1.14                       | 1.14  | 1.13   | 1.13   | 1.12   | 1.12    | 1.12 | 1,11 | 1.11               | 1.10           | 1,10        | 1.09     | 1.09   | 1.09      | 1.08 | 90.1                  | 8.0                  | 70.1       | 1.07      | 1,06         | 1.06            | 1.05 | 1.05             | 1.05    | 40.     | 90.  | 2. 5         | <b>₽</b> 0.' |
| E E | Return of                               | Upon Death                   | 1.49   | 1.49   | 1.49   | 1.51   | 1.53   | 1.56     | 1.58 | 1.60                               | 1.62                               | 1,65                            | 1.67 | 1.70 | 1.72                | 1.76                      | 1.80                | 1.84             | 1.89 | 1.93                       | 1.97  | 2.01   | 2.05   | 2.10   | 2.14    | 2.23 | 2.33 | 2.43               | 2.53           | 2.64        | 2.81     | 3,00   | 3.19      | 3.40 | 3.62                  | 4. r                 | D.0        | 7.21      |              |                 |      |                  |         |         |      |              |              |
|     | Return of                               | Upon Death                   | 1.30   | 1.30   | 1.30   | 1.32   | 1.34   | 1.35     | 1.37 | 1.39                               | 1.41                               | 1,43                            | 1.45 | 1.47 | 1.49                | 1.52                      | 1.56                | 1.59             | 1.62 | 1.66                       | 1.69  | 1.73   | 1.76   | 1.79   | 1.83    | 1.90 | 1.98 | 2.08               | 2.14           | 2.23        | 2.36     | 2.50   | 2,65      | 2.80 | 2.97                  | 40.5                 | 4.23       | 5.06      |              |                 |      |                  |         |         |      |              |              |
|     |   | SBP                          | 1.20   | 1.20   | 1.20   | 1.20   | 1.20   | 1.21     | 1.21 | 1.21                               | 1.21                               | 1.22                            | 1.22 | 1.22 | 1.22                | 1.23                      | 1.23                | 1.23             | 1.23 | 1.24                       | 1.24  | 1.24   | 1.24   | 1.25   | 1.25    | 1.25 | 1.25 | 1.26               | 1.26           | 1.26        | 1.26     | 1.27   | 1.27      | 1.27 | 1.27                  | 1.28                 | 1.28       | 1.28      | 1.28         | 1.29            | 1.29 | 1.29             | 1.28    | 6.3     | S :  | 05.4<br>05.4 | 3.50         |
|     |   | years 11+                    | 0.70   | 0.70   | 0.70   | 0.70   | 0.70   | 0.70     | 0.70 | 0.70                               | 0.70                               | 0.70                            | 0.70 | 0.70 | 0.70                | 0,70                      | 0.70                | 0.70             | 0.70 | 0.70                       | 0.70  | 0.70   | 0.70   | 0.70   | 0.70    | 0.70 | 0.70 | 09'0               | 09'0           | 09'0        | 0.60     | 0.60   | 0.60      | 0.60 | 0.60                  | 0,80                 | 0.60       | 0.60      | 09.0         | 0.60            | 09:0 | 0.60             | 0.60    | 0.60    | 0.60 | 0.60         | 0.60         |
|     | C 7 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | Accelerated<br>years 1-10 ye |        | 1.40   | 1.40   | 1.40   | 1.40   | 1.40     | 1.40 | 1.40                               | 1.40                               | 1.40                            | 1,40 | 1.40 | 1.40                | 1.40                      | 1.40                | 1,40             | 1.40 | 1.40                       | 1.40  | 1.40   | 1.40   | 1.40   | 1.40    | 1.40 | 1.40 | 1.20               | 1.20           | 1.20        | 1.20     | 1.20   | 1.20      | 1.20 | 1.20                  | 1.20                 | 1.20       | 1.20      | 1.20         | 1.20            | 1.20 | 1.20             | 1.20    | 1.20    | 1.20 | 1.20         | 27.          |
|     | L males                                 | Pay                          | 1.17   | 1.17   | 1.17   | 1.17   | 1,17   | 1.18     | 1.18 | 1.18                               | 1.19                               | 1.19                            | 1.20 | 1.20 | 1.21                | 1.23                      | 1.24                | 1.26             | 1.27 | 1.29                       | 1.30  | 1.31   | 1.32   | 1,33   | 1.34    | 1.35 | 1,35 | 1.36               | 1.36           | 1.37        | 1.35     | 1,32   | 1.30      | 1.27 | 1.25                  | 1.23                 | 1.20       | 1.18      | 1.15         | 1.13            | 1.12 | 1,1              | 1.10    | 1.09    | 1.08 | 1.07         | 1.06         |
| 2%  | Compound                                | w/2x Cap                     | ı      | 1.60   | 1.60   | 1,60   | 1.60   | 1,60     | 1.60 | 1,60                               | 1.60                               | 1.60                            | 1.60 | 1.60 | 1,60                | 1,60                      | 1.60                | 1.60             | 1.60 | 1.60                       | 1.60  | 1.59   | 1.59   | 1.58   | 1.58    | 1,57 | 1.56 | 1.56               | 1.55           | <u>1</u> .5 | 1.53     | 1.52   | 1,51      | 1.50 | 1.49                  | 4.<br>84.            | 1.47       | 1,45      | 1.44         | 1.43            | 1.42 | 1.4.1            | 1.40    | 1.39    | 1.38 | 1.38         | \$.E         |
|     | 5%                                      | SOLA<br>SOLA                 | 1.78   | 1.78   | 1.78   | 1.78   | 1.78   | 1.77     | 1.77 | 1.77                               | 1.76                               | 1,75                            | 1.75 | 1.74 | 1.73                | 1.72                      | 1.72                | 1,71             | 1.71 | 1.70                       | 1.69  | 1.69   | 1.68   | 1.68   | 1.67    | 1.65 | 1.63 | 1.62               | 1.60           | 1.58        | 1.56     | 1.55   | 1.53      | 1.52 | 55                    | 48                   | 1.46       | 1,45      | 1.43         | 1.41            | 1.40 | 1.39             | 1.38    | 1.37    | 1,36 | E. 5         | <b>4</b> 5.  |
| 9   | 3%                                      | COLA                         | 1.83   | 1.83   | 1.83   | 1.83   | 1.83   | 1.82     | 1.82 | 1.82                               | 1.82                               | 1,81                            | 1.81 | 1.80 | 1.80                | 1.78                      | 1.75                | 1.73             | 1.70 | 1.68                       | 1,66  | 1.64   | 1.63   | 1.61   | 1.59    | 1.57 | 1.55 | 1.53               | 1.51           | 1.49        | 1.47     | 1.45   | 1.44      | 1.42 | 1.40                  | 1.38                 | 1.37       | 1.35      | 1.34         | 1.32            | 1.31 | 1.30             | 1.28    | 1.27    | 1.26 | 1.25         | 1.24         |
|     | 4%                                      | Compound                     | 2.24   | 2.24   | 2.24   | 2.22   | 2.22   | 2.19     | 2.19 | 2.16                               | 2.15                               | 2.14                            | 2.14 | 2.13 | 2.12                | 2.08                      | 2.04                | 2.00             | 1.97 | 1.93                       | 1.91  | 1.89   | 1.86   | 1.84   | 1.82    | 1.79 | 1.76 | 1.73               | 1.70           | 1.67        | 1.64     | 1.61   | 1.58      | 1.56 | 1.53                  | 1.51                 | 1.48       | 1.46      | 1.43         | 1,41            | 1.39 | 1.38             | 1.36    | 1.35    | 1.33 | 1.31         | 1.30         |
|     | 2%                                      | COLA                         | 2.65   | 2.65   | 2.65   | 2.62   | 2.62   | 2.57     | 2.57 | 2.53                               | 2.49                               | 2.47                            | 2.46 | 2.44 | 2.43                | 2.38                      | 2.32                | 2.27             | 2.22 | 2.17                       | 2.14  | 2.12   | 2.09   | 2.07   | 2.04    | 2.00 | 1.96 | 1.92               | 1.89           | 1.85        | 1.81     | 1.77   | 1.73      | 1,69 | 1.65                  | 1.62                 | 1.59       | 1.58      | 1.53         | 1.50            | 1.48 | 1.45             | 1.43    | 1.41    | 1.39 | 1.37         | 1.35         |
|     |   | Age                          | 18-40  | 4      | 42     | 43     | 44     | 45       | 46   | 47                                 | 48                                 | 49                              | 20   | 51   | 52                  | 23                        | Ŗ                   | 22               | 26   | 57                         | 28    | 29     | 99     | 61     | 62      | 63   | 64   | 65                 | 99             | 67          | 88       | 69     | 0.2       | 71   | 72                    | 73                   | 74         | 75        | 92           | 77              | 78   | 42               | 80      | 81      | 82   | 83           | 84           |



Comprehensive Monthly Indemnity Benefit Rider

Premium per \$250 monthly benefit Premium edded to bese premium b

| Age   | 2 year     | 3 0027            | A second | Trans. | 20 VP 27 | Lifetime | Δ     | 2 vear | ğ  |
|-------|------------|-------------------|----------|--------|----------|----------|-------|--------|----|
|       | 4 3501     | 100               | 4 400    | 500    | 100      |          | ,     |        |    |
| 18-40 | 56         | 8                 | က်       | 34     | 37       | 45       | 18-40 | 13     | •  |
| 4     | <b>5</b> 9 | 8                 | ર્ભ      | ¥      | 89       | 46       | 41    | 4      | ¥  |
| 42    | 56         | 53                | 32       | 34     | 88       | 46       | 42    | 14     | =  |
| 43    | 27         | 8                 | 83       | 35     | 39       | 47       | 43    | 4      | 7  |
| 4     | 27         | 8                 | ਲ        | 36     | 40       | 49       | 4     | 7      | •  |
| 45    | 28         | 31                | ጵ        | 37     | 4        | 20       | 45    | 15     | 7  |
| 46    | 58         | 32                | 88       | 38     | 42       | 51       | 46    | 15     | •  |
| 47    | 99         | 8                 | 8        | 38     | 43       | 52       | 47    | 16     | •  |
| 48    | 99         | 8                 | 37       | 40     | 44       | 53       | 48    | 16     | 7  |
| 49    | 31         | 8                 | 88       | 4      | 45       | 22       | 49    | 16     | 7  |
| S     | 32         | 32                | ස        | 42     | 46       | 56       | 20    | 17     | •  |
| 5     | 33         | 36                | 9        | 43     | 47       | 22       | 51    | 17     | •  |
| 25    | 33         | 37                | 4        | 4      | 48       | 59       | 52    | 18     | •  |
| ŝ     | 35         | 36                | 43       | 46     | 51       | 61       | 53    | 18     | •  |
| 2     | 37         | 4                 | <b>4</b> | 48     | 83       | 64       | \$    | 19     | ķ  |
| 52    | 38         | 43                | 47       | 20     | 28       | 67       | 52    | 50     | •  |
| 20    | 40         | 45                | 84       | 53     | 58       | 71       | 20    | 21     | •• |
| 25    | 42         | 47                | 5        | 55     | 61       | 74       | 25    | 22     | •  |
| 58    | 45         | g<br>G            | 18       | 59     | 65       | 79       | 58    | 24     | •  |
| 20    | 48         | 83                | 8        | 63     | 20       | 85       | 59    | 25     |    |
| 09    | 51         | 57                | 62       | 29     | 75       | 91       | 9     | 27     | ., |
| 61    | \$         | 90                | 67       | 72     | 8        | 26       | 19    | 58     | ., |
| 62    | 58         | 65                | ۲        | 77     | 85       | 103      | 62    | 31     | ., |
| 83    | 63         | 2                 | 77       | 83     | 93       | 112      | 63    | 33     | ,  |
| \$    | 68         | 76                | \$       | 90     | 101      | 122      | 64    | 36     | •  |
| 65    | 74         | 82                | 9        | 86     | 109      | 133      | 65    | 38     | 4  |
| 99    | 80         | 89                | 8        | 107    | 119      | 44       | 99    | 42     | •  |
| 29    | 87         | 97                | 107      | 116    | 129      | 157      | 29    | 94     |    |
| 68    | 96         | 107               | 119      | 129    | 143      | 174      | 69    | 51     |    |
| 69    | 106        | 118               | 134      | 142    | 158      | 193      | 69    | 56     | _  |
| 2     | 117        | 130               | 45       | 158    | 178      | 213      | 70    | 62     | _  |
| ۲     | 130        | <del>1</del><br>4 | 161      | 175    | 195      | 236      | 7.1   | 68     |    |
| 72    | 143        | 159               | 178      | 194    | 216      | 262      | 72    | 75     | -  |
| 73    | 158        | 176               | 197      | 215    | 240      | 291      | 73    | 83     |    |
| 74    | 175        | 195               | 219      | 239    | 266      | 324      | 74    | 95     | =  |
| 75    | 194        | 215               | 243      | 265    | 296      | 360      | 75    | 102    | ÷  |
| 9/    | 214        | 238               | 569      | 294    | 328      | 401      | 76    | 113    | ÷  |
| 77    | 237        | 264               | 296      | 326    | 365      | 446      | 77    | 125    | ÷  |
| 78    | 262        | 291               | 330      | 362    | 404      | 485      | 78    | 138    | ~  |
| 73    | 288        | 320               | 365      | 401    | 449      | 550      | 79    | 152    | =  |
| 8     | 318        | 353               | 403      | 445    | 498      | 611      | 8     | 167    | =  |
| 81    | 350        | 389               | 446      | 493    | 552      | 679      | 81    | 184    | ₹  |
| 82    | 386        | 428               | 493      | 547    | 613      | 754      | 82    | 203    | Ċ. |
| 83    | 425        | 472               | 546      | 909    | 680      | 838      | 83    | 224    | Ċ  |
|       |            |                   |          |        |          |          |       |        |    |

# Home and Community Care Monthly Indemnity Benefit Rider

Premium per \$250 monthly benefit

| benefit     |            | ,                           |                       | 7        | Premium per \$250 monthly benefit    | 250 monthly             | / benefit | 1      | Section 2 | 1              |
|-------------|------------|-----------------------------|-----------------------|----------|--------------------------------------|-------------------------|-----------|--------|-----------|----------------|
| ear<br>'ear | A vear     | ear 4 vear 5 vear 8 vear Li | as are appr<br>8 vear | Lifetime | Age 2vear 3vear 4 vear 5 vear 8 vear | to to case pr<br>2 vear | 3 vear    | 4 vear | 5 vear    | 8 vear         |
| 28          | 34         | 34                          | 37                    | 45       | 18-40                                | 13                      | 15        | 92     | 18        | 50             |
| 82          | ક્         | 3                           | 89                    | 46       | 41                                   | 4                       | 15        | 17     | 18        | 8              |
| S,          | 32         | 34                          | 88                    | 46       | 42                                   | 14                      | 15        | 17     | 48        | 8              |
| 8           | 83         | 35                          | 33                    | 47       | 43                                   | 4                       | 16        | 17     | 81        | 21             |
| 8           | ਲ          | 36                          | 40                    | 49       | 4                                    | 14                      | 16        | 18     | 19        | 21             |
| 31          | ਲ          | 37                          | 4                     | 20       | 45                                   | 15                      | 16        | 18     | 19        | 22             |
| 32          | x          | 38                          | 42                    | 51       | 46                                   | 15                      | 17        | 19     | 8         | 22             |
| 33          | 8          | 38                          | 43                    | 52       | 47                                   | 16                      | 17        | 19     | 8         | 53             |
| 35          | 37         | 4                           | 44                    | 53       | 48                                   | 16                      | 18        | 19     | 21        | 23             |
| 8           | 8          | 4                           | 45                    | 55       | 49                                   | 16                      | 18        | 2      | 51        | 24             |
| 35          | 98         | 42                          | 46                    | 56       | 20                                   | 17                      | 19        | 20     | 22        | 24             |
| 36          | 4          | 43                          | 47                    | 57       | 51                                   | 17                      | 19        | 21     | 22        | 22             |
| 37          | 4          | 4                           | 48                    | 28       | 52                                   | 18                      | 19        | 21     | 23        | 25             |
| 39          | \$         | 46                          | 51                    | 61       | 53                                   | 18                      | 8         | 22     | 24        | 27             |
| 14          | 3          | 46                          | 53                    | 64       | 72                                   | 19                      | 21        | 23     | 25        | 28             |
| 43          | 47         | 200                         | 29                    | 67       | 55                                   | 20                      | 22        | 52     | 26        | 58             |
| 45          | 45         | 23                          | 22.00                 | 7        | 29                                   | 2 5                     | 23        | 28     | 28        | 31             |
| 47          |            | 10                          | 2 2                   | 7.4      | 57                                   | 2                       | 25        | 7.0    | 8         | 32             |
| : G         | 5 <b>8</b> | , e                         | . 12                  | , ,      | - 80<br>- 80                         | 4                       | 92        | 50     | 3 1       | 34             |
| 3 2         | 3 25       | 8                           | 8 5                   | , s      | 20.00                                | , C                     | 28        | 8      | 83        | 37             |
| 3 6         | 3 6        | 2 6                         | 2 4                   | 8 8      | 8                                    | 5 6                     | 2 6       | . 6    | , K       | g              |
| 2 0         | 2 6        | 2 6                         | 2 6                   | 20       | 9 6                                  | , e                     | 8 6       | ) k    | 3 8       | 0 7            |
| 2 4         | ā ē        | 7 [                         | 3 u                   | g ç      | 5 6                                  | 3 6                     | 7 6       | , 6    | 3 5       | i K            |
| 20          | <          | ,,                          | 8 8                   | 20.      | 2 6                                  | بى<br>د                 | # F       | , r    | ₹ ₹       | <del>1</del> 5 |
| 2           | 1.1        | 833                         | 66                    | 112      | 200                                  | E .                     | 3/        | £ :    | ‡ :       | 4 i            |
| 76          | \$         | 06                          | 101                   | 122      | 64                                   | 36                      | 40        | 4      | 48        | g:             |
| 82          | 9          | 86                          | 109                   | 133      | 65                                   | 39                      | 43        | 48     | 25        | 28             |
| 89          | 86         | 107                         | 119                   | 144      | 99                                   | 42                      | 47        | 52     | 56        | 63             |
| 97          | 107        | 116                         | 129                   | 157      | 29                                   | 46                      | 51        | 26     | 61        | 89             |
| 20          | 119        | 129                         | 143                   | 174      | 68                                   | 51                      | 20        | 63     | 99        | 75             |
| 18          | 131        | 142                         | 158                   | 193      | 69                                   | 56                      | 62        | 69     | 75        | 83             |
| 8           | 54         | 158                         | 178                   | 213      | 70                                   | 62                      | 69        | 77     | 83        | 85             |
| 4           | 161        | 175                         | 195                   | 236      | 71                                   | 68                      | 92        | 85     | 95        | 102            |
| 59          | 178        | 194                         | 216                   | 262      | 72                                   | 75                      | 84        | 84     | 102       | 114            |
| 76          | 197        | 215                         | 240                   | 291      | 73                                   | 83                      | 63        | 104    | 113       | 126            |
| 92          | 219        | 239                         | 266                   | 324      | 74                                   | 95                      | 102       | 115    | 126       | 140            |
| 15          | 243        | 265                         | 296                   | 360      | 75                                   | 102                     | 113       | 128    | 139       | 156            |
| 38          | 569        | 294                         | 328                   | 401      | 76                                   | 113                     | 125       | 142    | 155       | 173            |
| 94          | 298        | 326                         | 365                   | 446      | 77                                   | 125                     | 139       | 157    | 172       | 192            |
| 16          | 330        | 362                         | 404                   | 495      | 78                                   | 138                     | 153       | 174    | 190       | 213            |
| 8           | 365        | 401                         | 449                   | 220      | 79                                   | 152                     | 169       | 192    | 211       | 536            |
| 53          | 403        | 445                         | 498                   | 611      | 80                                   | 167                     | 186       | 212    | 234       | 262            |
| 68          | 446        | 493                         | 552                   | 679      | 8                                    | 184                     | 205       | 235    | 259       | 291            |
| 28          | 493        | 547                         | 613                   | 754      | 82                                   | 203                     | 225       | 260    | 288       | 323            |
| 72          | 546        | 808                         | 680                   | 838      | 83                                   | 224                     | 248       | 287    | 319       | 358            |
| 1 0         | 3 2        | 672                         | 75.5                  | 930      | 8 8                                  | 246                     | 274       | 318    | 354       | 397            |
| 3           | }          | à                           | }                     | 2        | 1                                    | ì                       | i         | !      | ,         | ,<br> -        |

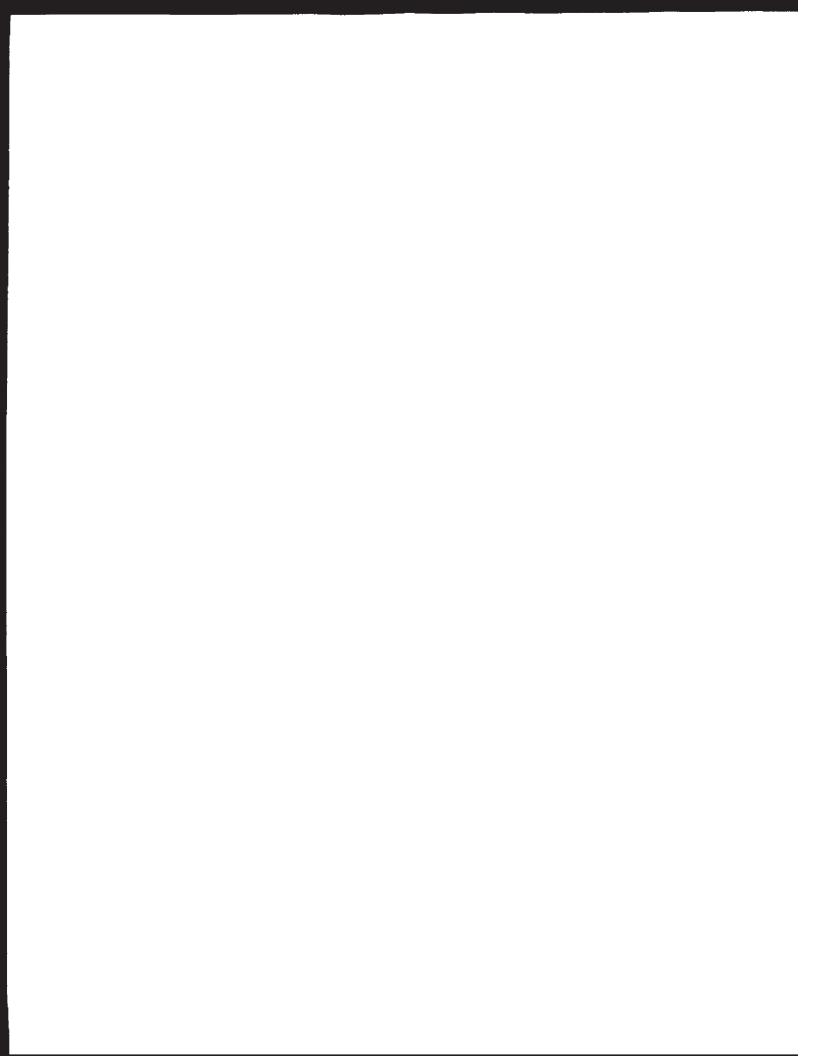


### Attachment 4

Anticipated Policy Reserves for Active Lives

- The following are anticipated statutory policy reserves for the aggregate policy described in section X.G of the memo.

|      | Change  | Total   |
|------|---------|---------|
| Year | Reserve | Reserve |
| 1    | 0       | 0       |
| 2    | 1,112   | 1,112   |
| 3    | 1,083   | 2,195   |
| 4    | 1,063   | 3,259   |
| 5    | 1,059   | 4,318   |
| 6    | 1,036   | 5,354   |
| 7    | 1,010   | 6,364   |
| 8    | 984     | 7,348   |
| 9    | 950     | 8,298   |
| 10   | 915     | 9,214   |
| 11   | 880     | 10,093  |
| 12   | 843     | 10,937  |
| 13   | 802     | 11,739  |
| 14   | 755     | 12,494  |
| 15   | 699     | 13,193  |
| 16   | 634     | 13,827  |
| 17   | 570     | 14,397  |
| 18   | 495     | 14,892  |
| 19   | 409     | 15,301  |
| 20   | 311     | 15,612  |
| 21   | 205     | 15,817  |
| 22   | 125     | 15,942  |
| 23   | 36      | 15,978  |
| 24   | -58     | 15,920  |
| 25   | -159    | 15,761  |
| 26   | -267    | 15,494  |
| 27   | -325    | 15,168  |
| 28   | -390    | 14,779  |
| 29   | -458    | 14,321  |
| 30   | -535    | 13,786  |
| 31   | -627    | 13,159  |
| 32   | -659    | 12,499  |
| 33   | -700    | 11,799  |
| 34   | -747    | 11,052  |
| 35   | -803    | 10,250  |
| 36   | -859    | 9,391   |
| 37   | -848    | 8,543   |
| 38   | -837    | 7,706   |
| 39   | -823    | 6,883   |
| 40   | -809    | 6,074   |
| 41   | -777    | 5,297   |
| 42   | -704    | 4,593   |
| 43   | -634    | 3,959   |
| 44   | -570    | 3,390   |
| 45   | -515    | 2,875   |
| 46   | -468    | 2,407   |
| 47   | -409    | 1,998   |
| 48   | -355    | 1,642   |
| 49   | -307    | 1,335   |
| 50   | -265    | 1,070   |
| •    | 200     | .,070   |



### Attachment 5 - Statutory Reserve

Combined with Exhibit 1 the following information provides a complete description of the contract reserves that will be held under this form.

Valuation Method One year preliminary term Valuation Process Seriatim (Policy by Policy)

Interest Rate 4.5%

Type of Factors Daily interpolation between terminal reserves

Lapse Rate The lesser of 8% and 80% of pricing lapse rate for durations 1-4

The lesser of 4% and 100% of pricing lapse rate for durations 5+

Mortality 1994 Group Annuity Reserving Table, with select factors of .5, .6, .7, .8, .9, 1.0

(years 6+)

Claim Costs Identical to those used in pricing

Selection Factors Identical to those used in pricing for both morbidity and mortality

Exhibit 1 and Exhibit 2 use a policyholder with the following characteristics.

Issue Age 62 Gender Male Gross Annual Premium \$2,333.76 Benefit Period 5 Year Nursing Home Daily Benefit \$130 ALF Daily Benefit \$130 Home and Community Care \$130 Daily Benefit **Elimination Period** 90 days COLA 5% Lifetime Compound

The total reserve equals the Premium Reserve plus the Contract Reserve. The Premium Reserve is equal to the unearned statutory net valuation premium. The formulas for the Contract Reserve are given below and illustrated in Exhibit 1.

Column Heading on Exhibit 1 Explanation/Logic

Gross Premium(t) The Annual Premium paid by the policy holder

Interest 4.5%

Lapse Rate As described above Mortality Rate As described above Claim Costs As described above

### **Discount Factors**

Lives(t)

The number of lives remaining at the beginning of duration t. The formula

is: if t=1, 1 else 
$$\prod_{k=0}^{t-1} (1-q_{x+k}^d)(1-q_{x+k}^w)$$
.

Interest Discount(t)
Claim Discount
Adjustment(t)

$$(1+i)^{-(t-1)}$$

The number of lives that survive to the ½ year mark of duration t given that they survived to duration (t-1). Linear interpolation is used on the

factors. 
$$\left( 1 + \frac{(1 - q_{x + (t-1)}^d)(1 - q_{x + (t-1)}^w)}{1 + i} \right) *.5$$

# Present Value Discounted

to issue

PV<sub>0</sub>(Gross Premium(t)) PV<sub>0</sub>(Claims Costs(t)) At duration t = Gross Premium(t) \* Lives(t) \* Interest Discount(t)
At duration t = Claims Costs(t)\*Lives(t)\*Interest Discount(t)\* Claim
Discount Adjustment(t)

### Direct

Renewal Net Premium/ Gross Premium

$$\frac{\sum_{t=2}^{49} PV_0(\text{ClaimCosts}(t))}{\sum_{t=2}^{49} PV_0(\text{GrossPremium}(t))}$$

Net Premium(t)

Net Premium(1) = PV<sub>0</sub>(Claims Costs(1))

Net Premium(duration >1) = Renewal Net/Gross \* Gross Premium

Reserve(t)

Reserve(1)=0

$$R_{t} = \frac{(R_{t-1} + NP_{t} - (CC_{t} * CDA_{t})) * (1+i)}{(1-q_{x+t-1}^{w})(1-q_{x+t-1}^{d})}$$

Where

 $R_t = Reserve(t)$ 

NP<sub>t</sub>=Net Premium(t)

CC<sub>t</sub>=Claims Costs(t)

CDA<sub>t</sub>=Claim Discount Adjustment

A sample calculation of the total reserve is illustrated in Exhibit 2.

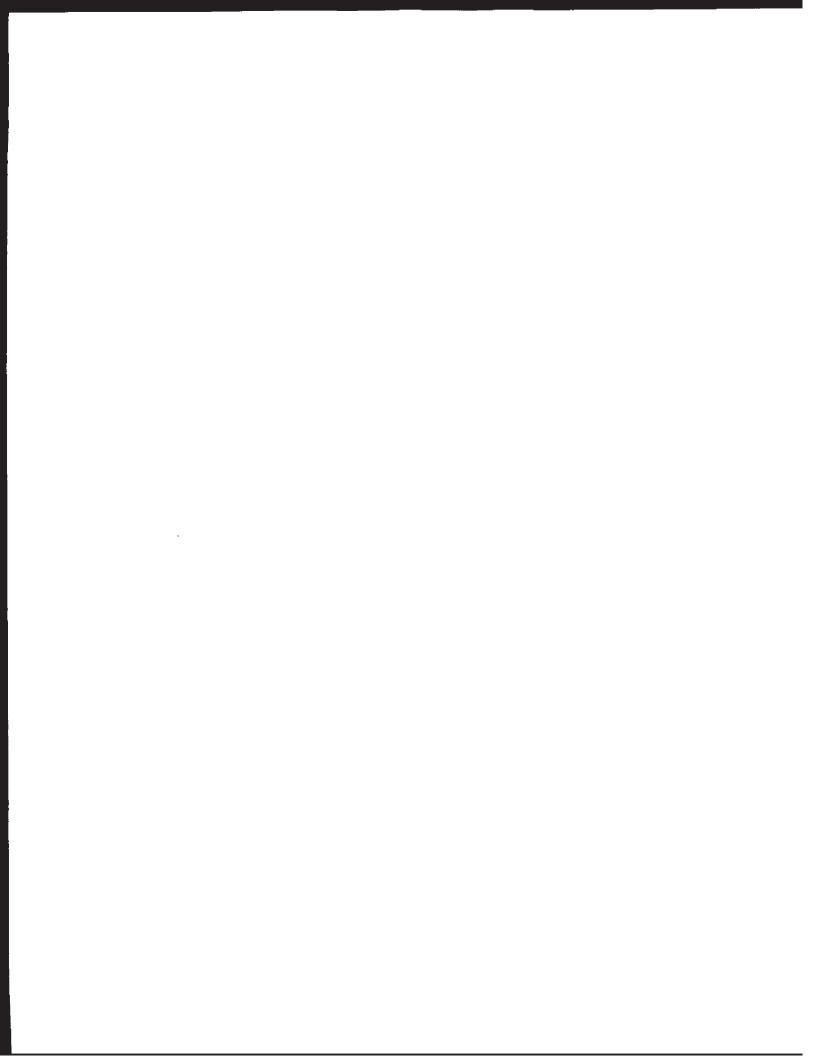


Exhibit 1

DIRECT

STATUTORY IN THE STATUTORY STATUTORY IN THE STATUTORY IN

| Not Browning | Method = 1YPT     |             |   |                      | 30.50 (0.00)         |          |          | 1,132.31 5,004.77 |          |          | 1,132.31 11,204.68 |          | 1,132,31 14,794,38      |          |          |          | 1,132,31 24,822,88 |            |          |          |          |           | 1,152.51 41,176.05 |          |           |          | 1,132,31 49,104.80 | 1,132.31 50,107.04   |           |           |           |           | 1,132.31 51,927.55 |           |           | _         |           |           |           | 1,132.31 48,706.43 |           |           |           | 23,8      | 1,132.31 (0.00) |
|--------------|-------------------|-------------|---|----------------------|----------------------|----------|----------|-------------------|----------|----------|--------------------|----------|-------------------------|----------|----------|----------|--------------------|------------|----------|----------|----------|-----------|--------------------|----------|-----------|----------|--------------------|----------------------|-----------|-----------|-----------|-----------|--------------------|-----------|-----------|-----------|-----------|-----------|-----------|--------------------|-----------|-----------|-----------|-----------|-----------------|
|              |                   | Renewal Net | Gross   | Premium              | 48.5%                |          |          |                   |          |          |                    |          |                         |          |          |          |                    |            |          |          |          |           |                    |          |           |          |                    |                      |           |           |           |           |                    |           |           |           |           |           |           |                    |           |           |           |           |                 |
|              | PV Discd to Issue |             | PV <sub>6</sub> (Gross PV <sub>6</sub> (Claim | Cost(t))             | 30.50                |          | 82.61    | 4.6               | _        |          | 194.72             | 222.30   | 282.16                  |          |          |          | 443.28             |            |          |          |          | 546.24    |                    |          |           |          | 466.73             |                      |           | 267.40    |           |           | 27.03              | 68.63     | 50.05     | 34.86     | 23.64     | 15.47     | 9.71      | 5.92               | 2.00      | 1.4       | 0.59      | 0.30      | 0.15            |
|              | PV Disc           |             | PV <sub>6</sub> (Gross                        | Premium(t)) Cost(t)) | 2,333.76             | 1,978.50 | 1,846.13 | 1,725.14          | 1 483 09 | 1,370 17 | 1,263 44           | 1,162,64 | 977.50                  | 892.63   | 812.73   | 737.56   | 600 13             | 537.27     | 478.13   | 422.72   | 371.11   | 323.38    | 230.00             | 204.21   | 172.12    | 143.47   | 118.06             | 76.4B                | 60.02     | 46.26     | 34.95     | 25.84     | 10,07              | 808       | 6.11      | 4.03      | 2.59      | 1.63      | 1.00      | 0.59               | 0.19      | 0.10      | 0.05      | 0.03      | 0.01            |
|              |                   | ļ           |   | · •                  | 2.5                  | . 10     | g .      | 9.9               | 0 62     | ı ED     | <b></b>            | 9 1      | <u> </u>                | · st     | 50       | 4.       | ⊇ g                | } <u>Ŀ</u> | 9        | €Q.      | 0.       | +- Q      | ρư                 | , n      | ø¢.       | ıçı i    | r- 0               | 71 44                | o 00      |           | 63        | 0 (       | <b>D</b> C         | 2 4       | . 0       | 80        | es.       | 80 (      | 0         | 9                  |           |           | to.       | 0         | 0               |
|              | Discount Factors  |             |   | Ξ.                   | 0.95750<br>4 0.96377 | _        | _        | 6 0.96440         |          |          |                    |          | 3 U.B5/6/<br>0 0.B5659  |          |          |          | 000000             | _          |          |          |          | 9 0.93241 |                    |          | 3 0,91678 |          | 9 0,90557          |                      |           |           |           |           | 0.0002778          |           |           |           |           |           |           | 4 0.78850          |           |           |           |           | 0.74189         |
|              | Discoun           |             |   | _ ,                  | 0.85694              | 0        | 0.87630  | 0.83856           | 0.76790  |          |                    |          | 0.61620                 | 0.58966  |          |          | 0.00447            |            |          |          | _        | 0.39679   | 0.5/8/0            | 0.34770  | 0.33273   | 0.31840  | 0.30469            | 0.027903             | 0.26700   | 0.25550   | 0.24450   | 0.23397   | 0.22390            | _         | 0,19620   | 0.18775   | 0.17967   | _         | _         | 0.15744            |           | _         | 0.13202   | 0.12834   | 0.12090         |
|              |                   |             |   | Lives(t)             | 1.00000              | 0.92579  | 0,90273  | 0.88152           | 0.82758  | 0.79897  | 0.76989            | 0.74035  | 0.87973                 | 0.84865  | 0.61716  | 0.58528  | 0.55495            | 0.48653    | 0.45246  | 0.41803  | 0.38351  | 0.34922   | 0.31567            | 0.25166  | 0.22166   | 0.19308  | 0.16603            | 0.140/4              | 0.09632   | 0.07758   | 0.06126   | 0.04732   | 0.03572            | 0.01897   | 0,01335   | 0.00919   | 0.00618   | 0.00406   | 0.00260   | 0.00162            | 0.00067   | 0,00032   | 0.00018   | 600000    | 0.00005         |
|              |                   |             |   | Ē                    |                      |          | 79,701   | 132.43            | 236.18   | 297.82   | 374.62             | 465.27   | 704.23                  | 868.22   | 1,071.48 | 1,322.83 | 1,533.08           | 2.230.85   | 2,613.18 | 3,062.18 | 3,589,86 | 4,227.86  | 4,864.70           | 6,919,44 | 8,158,78  | 9,118.46 | 10,187.87          | 10,375,01            | 14.448.91 | 15,368.03 | 16,373,25 | 17,432.28 | 16,023.08          | 21.454.71 | 23,018.83 | 24,582,74 | 26,152.67 | 27,511,44 | 28,495.27 | 29,542.88          | 31,645,38 | 32,663,14 | 33,632.38 | 33,924.46 | 33,666.62       |
|              |                   |             | Mortality                                     | Rate                 | 0.006883             | 0.009058 | 0.011628 | 0.014615          | 0.019859 | 0.021729 | 0.023730           | 0.025951 | 0.031201                | 0.034051 | 0.037211 | 0.040858 | 0.045171           | 0.055861   | 0.062027 | 0.068615 | 0.076532 | 0.082510  | 0.008013           | 0.105792 | 0.115671  | 0.126980 | 0.139452           | 0.132931             | 0.182281  | 0.198392  | 0.215700  | 0.233606  | 0.231510           | 0.285277  | 0,301298  | 0.317238  | 0.333461  | 0.350330  | 388       | 0.387855           | 0.425599  | 0.441935  | 0.457553  | 473       | 0.486745        |
|              |                   |             | Lapse   | Rate                 | 2.40%                | 1.60%    | 1.20%    | 1.50%             | 1.50%    | 1.50%    | 1.50%              | 1.50%    | 150%                    | 1.50%    | 1.50%    | 1.50%    | 1.50%              | 1.50%      | 1.50%    | 1.50%    | 1.50%    | 1.50%     | 1.50%              | 1.50%    | 1.50%     | 1.50%    | 1.50%              | 20.4<br>20.4<br>20.4 | 1.50%     | 1.50%     | 1.50%     | 1.50%     | 1.50%              | 150%      | 1,50%     | 1.50%     | 1.50%     | 1.50%     | 1.50%     | 4.50%              | 1.50%     | 1.50%     | 1.50%     | 1,50%     | 1.50%           |
|              |                   |             |   | Interest             | 4.50%                | 4.50%    | 4.50%    | 4.50%             | 4.50%    | 4.50%    | 4.50%              | 4.50%    | 4. 4.<br>00.00.<br>8. % | 4.50%    | 4.50%    | 4.50%    | 4.50%<br>4.50%     | 4.50%      | 4.50%    | 4.50%    | 4.50%    | 4.50%     | 4.50%              | 4.50%    | 4.50%     | 4.50%    | 4.50%              | 4.50%                | 4.50%     | 4.50%     | 4.50%     | 4.50%     | 4.00%<br>8.00%     | 502.4     | 4.50%     | 4.50%     | 4.50%     | 4.50%     | 4.50%     | 4.50%              | 4.50%     | 4.50%     | 4.50%     | 4.50%     | 4.50%           |
| 1            |                   |             | Gross   | Prem                 | 2,333.76             |          |          |                   | 2,333,76 |          |                    |          | 2,333,76                |          |          |          | 2,333,78           |            |          | 2,333,78 |          | 2,333,76  |                    |          | 1.4       | CG 1     | 2,333.76           | 40                   | 2,333.76  | CA        | 2,333.76  | N         | 2,333.75           | 10        | L/I       | CA        | ~         | 2,333,76  | 2,333.78  | 2,333,76           | 2,333,78  | 2,333,76  | 2,333.76  | 2,333,76  | 2,333,76        |
|              |                   |             | Policy  | Year                 | - 6                  | C)       | 4        | n a               | · ~      | 100      | Φ;                 | 2 7      | - 2                     | 13       | 14       | ភ្       | 2 7                | . 20       | 19       | 50       | 21       | 3 53      | 32                 | 25       | 26        | 27       | 3 28               | 8 25                 | 3.5       | 32        | 33        | 8 8       | 2 %                | 32        | 38        | 39        | 40        | 4         | 4.2       | 43                 | 4 4       | 46        | 47        | 48        | 48              |



#### Exhibit 2 - Sample Calculation of the Reserve

| Issue Date<br>Paid To Date<br>Valuation Date | 2/17/2003<br>2/16/2006<br>12/31/2005 |                          |
|--|--------------------------------------|--------------------------|
| Annual Premium<br>Fraction of year to        | next anniversary                     | \$2,333.76<br>0.129      |
| $V_{t-1}$ $V_{t}$                            |                                      | \$1,163.39<br>\$2,377.17 |
| Contract Reserve<br>Premium Reserve          | (linear interpolation)               | \$2,220.88<br>\$300.51   |
| Total Reserve                                |                                      | \$2,521.39               |

,

Allianz (11)

You can feel

right at home

with Generation Protector.



A comprehensive, cost-effective solution for your long term care needs

# **Generation Protector**™

Allianz Life Insurance Company of North America

Commonwealth of Virginia
State Corporation Commission
Bureau of Insurance

For Reasons Stated in Attached Lefter

#### 6 5 6

# We're not going to tell you that you may need long term care insurance.

Hopefully, you've done some research and reached that conclusion by yourself. So you probably already know:

- At least 40% of people over age 65 will need nursing home care some day, and about 10% will stay five or more years.
- The average nursing home stay will cost approximately half a million dollars (\$495,560) by the year 2030.<sup>2</sup>

But despite everything you know about the costs – and the risks – you still haven't bought a long term care policy. **Why not?** 



# You want *long term care* insurance that's **more** than just *nursing home* insurance.

It's possible you've always believed long term care insurance was simply coverage for nursing home care. At Allianz Life, however, long term care insurance starts with nursing home coverage, but that's just the beginning.

### It's true!

- Approximately eight million Americans are receiving health care in their homes right now. That's FIVE TIMES the number of people (approximately 1.5 million)<sup>3</sup> currently in nursing homes.
- The number of people who receive home health care every year is greater than the population of 39 of the 50 states (based upon the US Census Bureau's 2002 population projections).

<sup>3&</sup>quot;Long-term Care Trends and Demographics: Implications for Financial Planning," Journal of Financial Service Professionals, September 2000

AARP Web page "Home and Community-Based Long-Term Care," November 2002

<sup>&</sup>lt;sup>1</sup>ACLI study "Can Aging Baby Boomers Avoid the Nursing Home?" March 2000

# Right now, you could be sitting in your future long term care facility.

You may be sitting at your dining room table. Or relaxing in your favorite recliner. Or maybe you couldn't sleep, so you're sitting up in bed, reading. No matter what room you are in, you're right where you belong – at home.

You are in a place where you are comfortable and secure. There's a good chance someone who cares about you is close by.

That's exactly the reason so many people who need long term care get that care at home. It may also be another reason you haven't purchased long term care insurance.

After all, you know you may need coverage for expensive nursing home care. But in your heart, you know you want to stay in your home as long as you can. And how could you ever afford insurance that covers both?

# That's the reason **Generation Protector** from Allianz Life™ makes sense.

Generation Protector is different. It focuses on **who**, not **where**.

So Generation Protector isn't just nursing home insurance – or just home health care insurance. It's more.

Generation Protector provides affordably priced coverage that protects you. It pays you whether you need qualified long term care at home, in your community, at an assisted living facility, or in a nursing home.



# You can feel right at home with **Generation Protector**[, even if home is overseas].

Generation Protector can offer you a level of protection and peace of mind you haven't found in other long term care insurance policies. [And that protection can follow you if you retire to Canada or overseas\* (or move there to be with other family members).

So wherever life leads you,] Generation Protector is an affordable, sensible solution to your long term care needs. And it comes from a company whose strength you can rely on: Allianz Life.

[\* The International Coverage Benefit Endorsement applies to designated countries, as defined in the Visa Waiver Program.]

### **Generation Protector**

was created for one reason:

to keep you in control of your
future long term care, including
where you receive it.

## The most important benefit

## **Generation Protector** offers:

# Freedom of choice.

# First, you create your basic Generation Protector policy.

YOU choose the amount of money you will receive:

up to \$500 per day.

YOU choose how long you must receive care before the policy's payments begin:

benefits can start after you have received as few as seven days of qualifying care.

YOU choose how long benefits will be paid:

from a specified number of years to as long as you live.

# Now, add personalized options for the best home care experience possible.

YOU choose how much you receive for care in the comfort of your home:

get up to 130% of your policy's daily nursing home benefit for home health care, adult day care, or hospice care.

YOU choose to receive up to \$1500 per month, above and beyond your basic policy's payments:

use the extra money to pay for a housekeeper, family caregiver, prescriptions – or anything else – during any month you receive a benefit payment.

YOU choose other policy options and riders

that make your Generation Protector coverage a perfect match for your anticipated care needs.

### You can't predict the future, but

## Generation Protector can help you prepare for it.

Included in your basic coverage is a special Alternative Plan of Care Benefit. It's an alternate way you can use some of your benefit dollars for expenses that may not otherwise be covered under your policy.

You, your physician, and Allianz Life™ can work together to determine solutions for your specific needs. And Generation Protector can provide the money you need to pay for them.

| Qualifying for benefits                  | After providing proof of loss, you can receive benefits for covered care if you have satisfied your policy's elimination period and:  • You are certified unable to perform two of six Activities of Daily Living (ADLs) without substantial assistance, and substantial assistance is expected to be required for at least 90 continuous days; or  • You require substantial supervision due to a severe cognitive impairment. A severe cognitive impairment is the deterioration or loss of your intellectual capacity.  Note: ADLs include bathing, eating, dressing, toileting, continence, and transferring.  |  |  |  |  |  |  |  |
|--|--|--|--|--|--|--|--|--|
| Product type                             | Tax-qualified long term care   |  |  |  |  |  |  |  |
| Issue ages                               | 18-84, age last birthday   |  |  |  |  |  |  |  |
| Underwriting classes                     | • Preferred Plus • Preferred • Standard • Select L • Select II • Select II   |  |  |  |  |  |  |  |
| Facility care daily benefits             | \$100 to \$500, in \$10 increments   |  |  |  |  |  |  |  |
| Benefit periods                          | 2, 3, 4, 5, or 8 years, or lifetime  |  |  |  |  |  |  |  |
| Home and community care daily benefits   | 70%, 100%, or 130% of facility care daily benefit  |  |  |  |  |  |  |  |
| Elimination periods                      | 7, 30, 60, 90, or 180 days of service. Elimination periods must only be satisfied once in your lifetime  |  |  |  |  |  |  |  |
| Rate guarantee                           | 5 years.   |  |  |  |  |  |  |  |
| Waiver of premium                        | Premiums are waived once you are eligible for benefits   |  |  |  |  |  |  |  |
| Recovery benefit                         | Policy is paid up if you spend 12 months in a nursing facility, recover, and return home   |  |  |  |  |  |  |  |
| Bed reservation                          | 60 days per calendar year  |  |  |  |  |  |  |  |
| Respite care                             | 30 days per calendar year  |  |  |  |  |  |  |  |
| Spousal discount                         | 30% discount for each insured  |  |  |  |  |  |  |  |
| Married discount                         | 15% discount   |  |  |  |  |  |  |  |
| Alternative plan of care                 | Coverage for cost-effective alternatives to traditional care   |  |  |  |  |  |  |  |
| Elimination period options               | Home and Community Care Elimination Period Warver Rider Calendar Day Elimination Period Rider  |  |  |  |  |  |  |  |
| Nonforfeiture benefits                   | Shortened Benefit Rider  |  |  |  |  |  |  |  |
| Return of premium benefits               | Full Return of Premium Upon Death Rider<br>Return of Premium Upon Death Rider  |  |  |  |  |  |  |  |
| Inflation protection benefits            | 3%, 4%, or 5% Lifetime Compound Benefit Increase Rider: Two Times Compound<br>Benefit Increase Rider: Simple Benefit Increase Rider  |  |  |  |  |  |  |  |
| Premium payment                          | Limited Pay Rider Accelerated Premium Rider  |  |  |  |  |  |  |  |
| Indemnity benefits                       | Comprehensive Monthly Indemnity Benefit Rider  • \$250/month • \$500/month • \$750/month • \$1,000/month • \$1,250/month • \$1,500/month • \$1,500/month • \$1,500/month • \$1,500/month • \$1,000/month • \$1,000/m |  |  |  |  |  |  |  |
|  | • \$250/month : \$500/month : \$750/month  |  |  |  |  |  |  |  |
| Restoration of benefits                  | Option to restore the full maximum value of benefits after you recover from illness and benefits are not payable for 180 consecutive days  |  |  |  |  |  |  |  |
| Monthly home and community care benefits | Allows you to exceed your daily benefit up to your monthly maximum.  |  |  |  |  |  |  |  |
| Spousal coverage option                  | Spousal Shared Care Rider<br>Spousal Waiver of Premium Rider<br>Spousal Survivorship Rider   |  |  |  |  |  |  |  |

#### **Exclusions and limitations.**

No benefits will be paid for any confinement, care, treatment, or service(s):

- · for alcoholism or drug addiction.
- that result from participating in a felony, a riot or an insurrection.
- · for which benefits are provided under any state or federal worker's compensation law, or any motor vehicle no-fault law.
- · that result from an act of war, whether declared or not.
- · that result from your intentionally self-inflicted injury.
- provided outside the fifty United States, the District of Columbia, or Canada[, except as described in the International Coverage Benefit Endorsement].
- · provided to you by an Immediate Family Member or someone living in your Home, unless pre-approved by us.
- for which you have no financial liability or that are provided at no charge in the absence of insurance.
- provided in a government facility (unless otherwise required by law).
- that are reimbursable under Medicare or would be so reimbursable but for the application of a deductible or coinsurance amount.

## [Our top priority is the safety of your money]

[All policies are issued by Allianz Life Insurance Company of North America, a member of the Allianz Group. With over 700 subsidiaries in more than 70 countries, the Allianz Group is one of the world's leading providers of integrated financial services.

Our goal is to provide policyholders with wealth management products that can help meet today's needs and financial objectives, with a product philosophy of offering fair and equitable values on each policy we issue.

Allianz Life™ has consistently been assigned financial strength ratings by Standard & Poor's and A.M. Best that are among the highest available. It is one of a select group of major insurance companies to receive such high ratings.

These independent agency ratings are based on an analysis of financial results and evaluation of management objectives and strategies. The ratings do not indicate approval by the analysts and are subject to change,

Innovative products, exceptional customer service, and sound financial strength make Allianz Life the place to turn to help meet your retirement objectives.]

Policies are issued by Allianz Life Insurance Company of North America (form number 10-P-O).

| ·                           | •                          | `                      |                      | 7                  |
|-----------------------------|----------------------------|------------------------|----------------------|--------------------|
| Agent name:                 |                            |                        |                      | _                  |
| License number:             |                            |                        |                      | _                  |
| MO Residents: ITC Ruyer's C | iuide available unon reque | et from the Miccouri I | Department of Incurs | mco (900/736.7700) |

Allianz Life Insurance Company of North America

[PO Box 1292] [Minneapolis, MN 55440-1292]

[800/950-1962] [www.allianzlife.com]

# Right now, you could be sitting in your future long term care facility.

## Your home.

You are in a place where you are comfortable and secure. You're right where you belong – at home. That's why so many people who need long term care get that care at home.

And that's the reason you can feel right at home with **Generation Protector™** long term care coverage.

Generation Protector from Allianz Life™ provides comprehensive coverage that protects you whether you need qualified long term care at home, in your community, at an assisted living facility, or in a nursing home.

#### Find out more. Call us today!

[Company] [Agent Name] [License Number] [Address] [Phone Number]

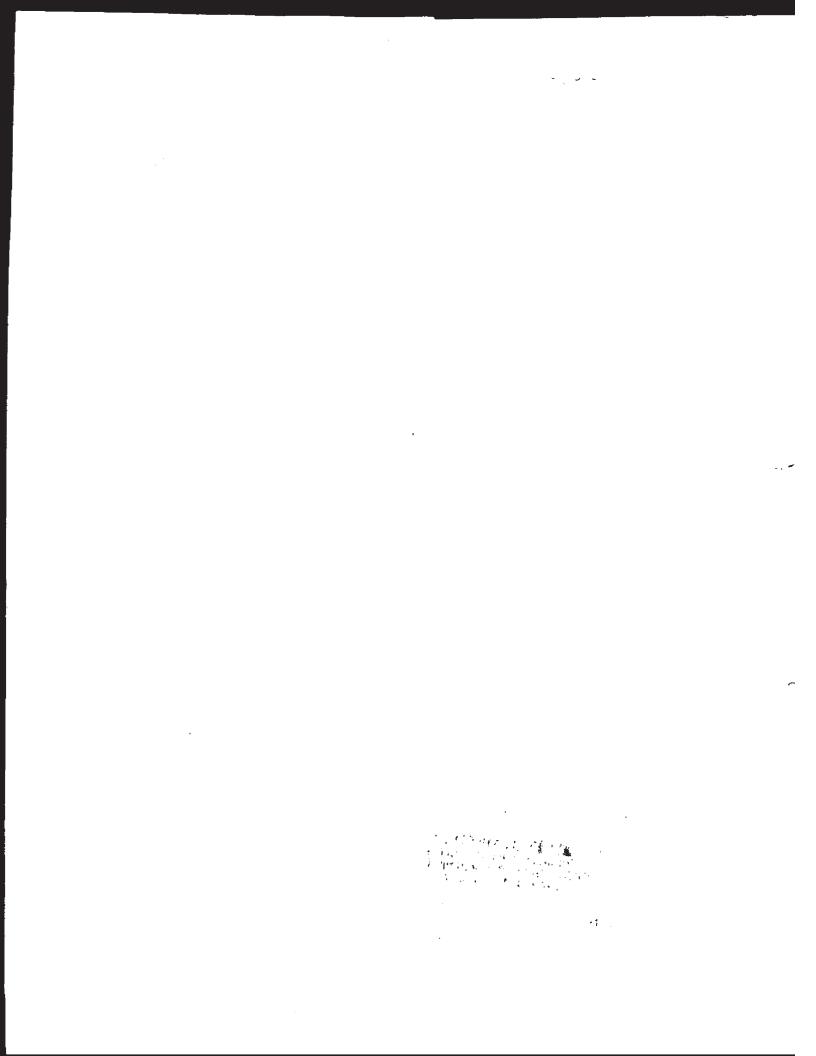
Policies issued by Allianz Life Insurance Company of North America, Minneapolis, MN (form number 10-P-Q)

10-CR (5/2003)

Allianz (11)

Commonwealth of Virginia
State Corporation Commission
Bureau of Insurance

For Reasons Stated



#### PREMIUM INCREASE CONTINGENT BENEFIT UPON LAPSE RIDER SCHEDULE

This section provides information that is specific to the Premium Increase Contingent Benefit Upon Lapse Rider.

Policy/Contract Number: [XXXXXXXX]

Effective Date of the Premium Increase: [M/D/Y]

Latest Election Date: [M/D/Y]

Policy Number: [XXXXXXXX]

Owner: [John Doe]

**Endorsement Effective Date**: [12/1/2016]

This Endorsement modifies or changes certain terms of the above reference Policy and shall be incorporated into and become a part of the Policy. Except as stated below, all other provisions set forth in the Policy shall remain unchanged and in full force and effect and this Endorsement shall be subject to all of the provisions, terms, definitions, limitations, exclusions and conditions of the Policy.

This Policy is modified or changed as follows:

[Premium rates are guaranteed not to change for [four] calendar years immediately following this Endorsement Effective Date. After this time period, the Company may change the premium rates for this Contract only if we base the premium change by Class for everyone in your state, on the experience of this form. Any premium change will occur on the Policy Anniversary. We will notify you in writing at least [45] days before your premium changes.]

[The attached revised Policy Schedule shall replace and supersede all previous Policy Schedules issued for this Policy and shall be incorporated into and become a part of the Policy]

[Benefit reduction message]

[For a limited time we are offering the following upon cancellation of your [Inflation Protection Rider]:

The "Cancellation" provision of your [Inflation Protection Rider] states that [if you cancel the Rider, the daily benefits, and, if elected, monthly benefits, will return to the original amounts issued to you].

However, for a limited time, you may cancel the Rider and maintain the percentage increases that have been applied. Specifically, if we receive written notice of your desire to cancel the Rider and such notice is received no later than [120] days after this Endorsement Effective Date, the annual percentage increases that have been applied to the Daily/Monthly Benefits, as provided by the Rider, will remain in effect instead of [returning to the original amounts]. The Rider will be cancelled as of the next premium due date following the date we receive notice, unless a later date is requested by you, however cancellation must be effective within the [120] day period. There will be no percentage increases beyond the cancellation date.

If a notice of cancellation is received after the expiration of [120] days from this Endorsement Effective Date, the Rider will be cancelled as of the next premium due date following our receipt of your request, unless a later date is requested by you. Upon cancellation, [the daily benefits, and, if elected, monthly benefits, will return to the original amounts issued to you].]

This Endorsement shall take effect as of the Endorsement Effective Date indicated above.

#### ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA

 [Gretchen Cepek] [Walter R. White]
[Secretary] [President and CEO]

#### ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA

#### PREMIUM INCREASE CONTINGENT BENEFIT UPON LAPSE RIDER

## This Rider provides reduced paid-up benefits if a premium increase occurs, subject to the conditions listed below.

The Company has issued this Rider as a part of the Contract to which it is attached. This Rider is subject to all terms, provisions, definitions, limitations and exclusions of the Contract, except as stated in this Rider. If there are any conflicts between this Rider and the Contract, including any attached Benefit Increase Rider, the provisions of this Rider will prevail.

#### Definitions Benefit Incr

**Benefit Increase Riders** is a reference that includes the following riders:

3% Lifetime Compound Benefit Increase Rider

4% Lifetime Compound Benefit Increase Rider

5% Lifetime Compound Benefit Increase Rider

Compound 5% Benefit Rider

Compound Inflation Protection Rider

Compound Interest Cost of Living Adjustment Benefit Rider

Compound Interest Cost of Living Adjustment Rider

Cost of Living Adjustment Rider

Guaranteed Future Increase Option Rider

Lifetime Compound Benefit Increase Rider

Lifetime Cost of Living Adjustment Benefit Rider

Simple 5% Benefit Rider

Simple Benefit Increase Rider

Simple Inflation Protection Rider

Simple Interest Cost of Living Adjustment Benefit Rider

Two Times Compound Benefit Increase Rider

Two Times Compound Plus Rider

**Contract** means the policy/contract identified on the Premium Increase Contingent Benefit Upon Lapse Rider Schedule.

**Facility Care** is a reference that includes the following benefits:

**Facility Care** 

Long Term Nursing Care

**Nursing Care** 

**Nursing Facility** 

#### **Home and Community Care** is a reference that includes the following benefits:

Home and Community Care

Home and Community Services

Home and Community Based Care

#### **Non-Forfeiture Riders** is a reference that includes the following riders:

Full Continuation of Coverage Nonforfeiture Benefit Rider

Full Nonforfeiture Rider

Full Shortened Benefit Period Nonforfeiture Benefit Rider

Full Shortened Benefit Period Nonforfeiture Rider

Limited Continuation of Coverage Nonforfeiture Benefit Rider

Nonforfeiture Benefit Rider

Nonforfeiture Rider

Non-Forfeiture Shortened Benefit Rider

Nonforfeiture Shortened Benefit Rider (paid up at 65)

Shortened Benefit Period Nonforfeiture Benefit Rider

Shortened Benefit Period Nonforfeiture Rider

Shortened Benefit Rider

Shortened Benefit Rider (nonforfeiture)

Survivor Benefit and Limited Continuation of Coverage Rider

#### **Definitions**

(continued)

**Return of Premium Riders** is a reference that includes the following riders:

Full Refund of Premium Benefit Rider Limited Return of Premium Limited Return of Premium Rider

#### Contingent Benefit Upon Lapse

When the Contract is in force and the premium rate under the Contract is increased by us and not because of an increase in coverage elected by you, then the following options are available if you choose not to pay the increased premium. These options are available beginning on the Effective Date of the Premium Increase and your request to elect an option must be received in our office on or before the Latest Election Date.

- 1. The daily benefit amount(s) and/or benefit period(s) may be reduced and/or the Elimination Period may be increased, subject to availability and without evidence of insurability. Premiums will be adjusted based on your requested change. Reduction of the daily benefit amount(s) and benefit period(s) will reduce the Maximum Lifetime Benefit or Benefit Amount, as applicable; or
- 2. The Contract may be converted to a Reduced Paid-Up Benefit. This option may be elected at any time on or before the Latest Election Date shown on the Premium Increase Contingent Benefit Upon Lapse Rider Schedule. In addition, if the Contract would otherwise lapse for nonpayment of premium on or before the Latest Election Date, your Contract will automatically be converted to this Reduced Paid-Up Benefit option.

## Reduced Paid-Up Benefit

As a Reduced Paid-Up Benefit, your coverage will continue and the daily benefit amount(s) will be payable based on the daily benefit amount(s) shown on the Policy Schedule, and any previous increases due to Benefit Increase Riders, in effect on the date of conversion to the Reduced Paid-Up Benefit. No further benefit increases will occur under any Benefit Increase Riders, if attached to the Contract. The Maximum Lifetime Benefit or Benefit Amount provided under the Contract will be reduced to an amount equal to the greater of:

(a) the total of premiums paid for the Contract and all riders (not including any waived premium); or (b) thirty times the Facility Care daily benefit in effect on the date of conversion to the Reduced Paid-Up Benefit. If the Contract to which this Rider is attached does not have a Facility Care daily benefit, the Home and Community Care daily benefit will be used.

This adjusted benefit amount, effective on the date of conversion to the Reduced Paid-Up Benefit, replaces the Maximum Lifetime Benefit or Benefit Amount and International Coverage Maximum Lifetime Benefit amount as shown on the Policy Schedule, as applicable. Any benefits paid to you after the Contract is converted to the Reduced Paid-Up Benefit will be subtracted from this new adjusted benefit amount.

Your coverage under this Rider will continue to be subject to the same Contract benefit provisions, elimination period, limitations and exclusions, and all other provisions of the Contract and attached Riders and Endorsements that were in effect prior to the date of conversion to the Reduced Paid-Up Benefit except the following:

- No further benefit increases will occur under any Benefit Increase Riders, if attached to the Contract
- No further Restoration of Benefits will occur under any Restoration of Benefits provision or Rider, if attached to the Contract

All benefits paid by the insurer while the policy is in premium paying status and in the paid up status will not exceed the maximum benefits which would be payable if the policy had remained in premium paying status.

## Exclusions and Limitations

You cannot exercise this Rider if one of the following Riders/Endorsements are part of your Contract:

- Non-Forfeiture Riders
- Return of Premium Riders

## Latest Election Date

The benefits under this Rider are available for a limited time. The Latest Election Date is the last date on which any request to choose one of the options described in this Rider must be received by us. This date is shown on the Premium Increase Contingent Benefit Upon Lapse Rider Schedule. If the Contract would otherwise lapse for non-payment of premium, the automatic conversion to the Reduced Paid-Up Benefit will apply only if the lapse occurs on or before the Latest Election Date.

Signed for the Company at its home office.

## Allianz Life Insurance Company Of North America

Gretchen Cepek Walter R. White Secretary President and CEO

R95369-VA 3

Allianz Life Insurance Company of North America PO Box 59060 Minneapolis, MN 55459-0060 [800.789.6896]



#### **Coverage Change Request Form**

|                           | coverage change request 1 orm  |  |  |  |  |  |  |  |  |  |  |  |
|---------------------------|--|--|--|--|--|--|--|--|--|--|--|--|
| Policy                    | number [Policy Number]   |  |  |  |  |  |  |  |  |  |  |  |
| change<br>weekd<br>you de | Please use this form to request a change in your long term care insurance coverage. Before you make any changes, we strongly encourage you to contact one of our customer service representatives at [800.789.6896], weekdays from [8:00 a.m. to 5:00 p.m. CST]. They can provide you with details about your options, and help you determine how changes to your long term care insurance coverage will impact your benefits and premium payments. You can also contact us or your Allianz agent for help with this form. |  |  |  |  |  |  |  |  |  |  |  |
| This fo                   | indicate your coverage change selection(s) by checking the options below.  orm must be signed and dated, where indicated, on the back page in order to be processed.  mber that, if you have state partnership status, cancelling or reducing some optional riders may in the loss of your state partnership status, which may reduce policyholder protections.  |  |  |  |  |  |  |  |  |  |  |  |
| or rid                    | n B: Lessen the impact of the rate increase on your premiums through benefit reduction(s) er cancellation(s). I understand if I request either the cancel or exchange options below for the Benefit se Rider, to keep the current rider's accrued benefit increase percentages as of the time of cancellation, rm must be received by Allianz on or before [Latest Election Date].   |  |  |  |  |  |  |  |  |  |  |  |
|                           | Reduce my Daily (or Monthly) Benefit from \$ to \$  Reduce my Benefit Period from to  Increase my Elimination Period from days to days  Reduce the following benefit(s) for my policy:  t from reduced to  |  |  |  |  |  |  |  |  |  |  |  |
| Benefi                    | Cancel the following optional rider(s) or benefit(s) from my policy:   |  |  |  |  |  |  |  |  |  |  |  |
|                           | Exchange the existing optional% Lifetime Compound Benefit Increase Rider currently on my policy for the lower Benefit Increase Rider selected below. Please note this option is only available if you currently have the 4% Lifetime Compound Benefit Increase Rider or the 5% Lifetime Compound Benefit Increase Rider.   |  |  |  |  |  |  |  |  |  |  |  |

S2281 (03/2016)

| Lapse Rider with a reduced Maximum Lifetime request this option, this form must be received by A                                     | Benefit or Benefit Amount. I understand if I  |
|--|---|
| Paid Up Benefit.  Please note: As this paid-up option starts on the continue coverage to that date by paying the recafter that date. | gent Benefit Upon Lapse Rider and request a Reduced e effective date of the premium increase, you must quired premiums. No additional premium will be due erage with a reduced Maximum Lifetime Benefit |
| <u> </u>   | feiture Rider [or Return of Premium Rider] that   |
| <del></del>  | on-Forfeiture [or Return of Premium Rider] benefit on benefit amount will be replaced with the amount specified   |
| I understand the policy change(s) I selected on this formay not be reversed.   | m. I agree that once processed, the policy benefit changes  |
| [Owner First Name] [Owner Middle Name] [Owner Last Name]  Policyowner name (printed)   | [Co-Owner First Name] [Co-Owner Middle Name] [Co-Owner Last Name]  Joint owner name (printed – if applicable)   |
| Signature of policyowner   | Date Signed   |
| Signature of joint owner (if applicable)   | Date Signed   |
| Planca indicata your change colection, sign, data and  | roturn this form to:  |

Please indicate your change selection, sign, date and return this form to:

Allianz Life Insurance Company of North America

ATTN: Policy Administration

PO Box 59060

Minneapolis, MN 55459-0060

Fax: 763.582.6002

S2281 (03/2016)



#### Allianz Life Insurance Company of North America Statement of Variability 5/31/2016

Variable material is denoted by the use of brackets. This Policyholder Letter will be mailed to communicate the effects of the rate increase as well as policyholder options.

**GP2** Policyholder Notification Letter (S2280-VA)

| Variable           | Minimum | Maximum      | Current                | Effective | Comments  |
|--------------------|---------|--------------|------------------------|-----------|---|
| Font               | N/A     | N/A          | Times New Roman        | N/A       | Font displayed on final forms may vary due to printer configurations. Font sizing and layout    |
|                    |         |              |                        |           | will not change. If we opt to use a different font that is not a state-recognized font, we will |
|                    |         |              |                        |           | prepare and submit any required filings at the time of the change.                              |
| Date               | N/A     | N/A          | N/A - Policy Specific  | N/A       | Policy Specific   |
| Owner First Name   |         |              |                        |           |   |
| Owner Middle Name  |         |              |                        |           |   |
| Owner Last Name    |         |              |                        |           |   |
| Owner Address L1   |         |              |                        |           |   |
| Owner Address L2   |         |              |                        |           |   |
| Owner City         |         |              |                        |           |   |
| Owner State        |         |              |                        |           |   |
| Owner Zip          |         |              |                        |           |   |
| Owner Zip Rest     |         |              |                        |           |   |
| Policy Number      |         |              |                        |           |   |
| Overall Increase % | 0%      | 999%         | N/A - Policy Specific  | N/A       | Aggregate new rate increase for the policy. Note that this will only reflect rate increase      |
|                    |         |              |                        |           | percentages approved by the Virginia BOI.   |
| Billed Premium     | \$0.00  | \$999,999.99 | N/A - Policy Specific  | N/A       | Current modal premium for the policy  |
| Bill Mode          | N/A     | N/A          | N/A - Policy Specific  | N/A       | The current Bill Mode of the policy (e.g. Annually, Semi-annually, Quarterly, Monthly,          |
|                    |         |              |                        |           | etc).   |
| anniversary1       | N/A     | N/A          | N/A - Policy Specific  | N/A       | Policy anniversary when phase 1 of the rate increase will be effective following the            |
|                    |         |              |                        |           | minimum 75 days of notice of a rate increase.   |
| adj'd billing1     | \$0.00  | \$999,999.99 | N/A - Policy Specific  | N/A       | Modal premium after phase 1 of the rate increase.   |
| Call Center Phone  | N/A     | N/A          | 800.789.6896           | N/A       | Phone number for our customer service representatives, which may change                         |
| Number             |         |              |                        |           |   |
| Return of Premium  | N/A     | N/A          | or Return of Premium   | N/A       | Benefit rider that may be available to a policyholder; however, as this benefit is not          |
| Rider              |         |              | Rider                  |           | available in Virginia this benefit rider will not appear in any communication addressed to      |
|                    |         |              |                        |           | Virginia policyholders.   |
| Call Center Open   | N/A     | N/A          | 8:00 a.m. to 5:00 p.m. | N/A       | Opening times for our customer service representatives, which may change                        |
| Times              |         |              | CST                    |           |   |
| Individual's name  | N/A     | N/A          | Stephen Kennedy        | N/A       | Name may change   |
| Individual's title | N/A     | N/A          | Senior Vice President  | N/A       | Title may change  |
|                    |         |              | of Operations          |           |   |



| 201                                 | N/A   | N/A  | N/A Dollar Crasic      | N/A    | If the policyholder does not have an active agent on record, then we will not print these      |
|-------------------------------------|-------|------|------------------------|--------|--|
| cc: Agent First Name                | N/A   | N/A  | N/A - Policy Specific  | N/A    | fields.  |
| Agent Middle Name                   |       |      |                        |        | If the policyholder does have an active agent on record, then we will print these fields based |
| Agent Last Name                     |       |      |                        |        | on policy-specific data.   |
|                                     | N/A   | N/A  | N/A - Policy Specific  | N/A    |  |
| Partnership status                  | N/A   | N/A  | N/A - Poncy Specific   | IN/A   | If the policy does not have partnership status, then this line will not print.                 |
|                                     |       |      |                        |        | If the policy has partnership status, then the following line will print:                      |
|                                     |       |      |                        |        | (Additionally, please note that some benefit reduction options may result in a loss in         |
| GOT L D. I.                         | 27/4  | 27/4 | )                      | 27/4   | Virginia state partnership status, which may reduce policyholder protections.)                 |
| COLA Reduction                      | N/A   | N/A  | N/A - Policy Specific  | N/A    | If the policy does not have a COLA rider, this entire bullet will not be printed.              |
| Message                             |       |      |                        |        | If the policy does have a COLA rider, the following will be printed (note there is additional  |
|                                     |       |      |                        |        | variation bracketed below)   |
|                                     |       |      |                        |        | • Until [COLA Vesting Date], you may cancel the [COLA Rider] while keeping the                 |
|                                     |       |      |                        |        | rider's accrued benefit increase percentages as of the time of cancellation. After the         |
|                                     |       |      |                        |        | rider is cancelled, the applicable benefit amount(s) will no longer increase. [You also        |
|                                     |       |      |                        |        | have the option to exchange the [COLA Rider] for [the 4% Lifetime Compound Benefit             |
|                                     |       |      |                        |        | Increase Rider,] the 3% Lifetime Compound Benefit Increase Rider[, or the Simple               |
|                                     |       |      |                        |        | Benefit Increase Rider].] Note that this offer is only available if we receive written         |
|                                     |       |      |                        |        | notice requesting the change before [COLA Vesting Date]. [Also, [reducing or]                  |
|                                     |       |      |                        |        | cancelling the [COLA Rider] may result in a loss of your state partnership status,             |
|                                     |       |      |                        |        | which may reduce policyholder protections.]  |
|                                     |       |      |                        |        |  |
|                                     |       |      |                        |        | Note that policyholders could have one of the following riders:                                |
|                                     |       |      |                        |        | 5% Lifetime Compound Benefit Increase Rider  |
|                                     |       |      |                        |        | 4% Lifetime Compound Benefit Increase Rider  |
|                                     |       |      |                        |        | 3% Lifetime Compound Benefit Increase Rider  |
|                                     |       |      |                        |        | Simple Benefit Increase Rider  |
|                                     |       |      |                        |        | Two Times Compound Benefit Increase Rider  |
|                                     |       |      |                        |        | Two Times Compound Plus Rider  |
| COLA Vesting Date                   | N/A   | N/A  | N/A - Policy Specific  | N/A    | The date until which the COLA vesting options under COLA Reduction Message are                 |
| 0 0 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | - "   |      | a was a sample process | ,      | available to the policyholder.   |
|                                     |       |      |                        |        | (Note: This will only print if COLA Reduction Message prints.)                                 |
| COLA Rider                          | N/A   | N/A  | N/A - Policy Specific  | N/A    | The current COLA rider attached to the policy. Policyholders could have one of the             |
| COLITRIGE                           | 14/11 | 1471 | 1771 Toney Specific    | 1 1/21 | following riders:  |
|                                     |       |      |                        |        | 5% Lifetime Compound Benefit Increase Rider  |
|                                     |       |      |                        |        | 4% Lifetime Compound Benefit Increase Rider  |
|                                     |       |      |                        |        | 3% Lifetime Compound Benefit Increase Rider  |
|                                     |       |      |                        |        | Simple Benefit Increase Rider  |
|                                     |       |      |                        |        | Two Times Compound Benefit Increase Rider  |
|                                     |       |      |                        |        | Two Times Compound Plus Rider  Two Times Compound Plus Rider                                   |
|                                     |       |      |                        |        | 1 wo Times Compound Flus Kidel   |
|                                     |       |      |                        |        | (Note: This will only print if COLA Reduction Message prints.)                                 |
|                                     |       | l    |                        | 1      | (1.000. 1.100 mil only print if COLAT REGULETON MEDDINGS Printed.)                             |



| COLA Rider<br>Exchange Message | N/A | N/A | N/A - Policy Specific | N/A | If the policy has a 5% Lifetime Compound Benefit Increase Rider, we will print the following message:  You also have the option to exchange the 5% Lifetime Compound Benefit Increase Rider for the 4% Lifetime Compound Benefit Increase Rider, the 3% Lifetime Compound Benefit Increase Rider, or the Simple Benefit Increase Rider.  If the policy has a 4% Lifetime Compound Benefit Increase Rider, we will print the following message:  You also have the option to exchange the 4% Lifetime Compound Benefit Increase Rider for the 3% Lifetime Compound Benefit Increase Rider.  If the policy does not have either the 5% Lifetime Compound Benefit Increase Rider or the |
|--------------------------------|-----|-----|-----------------------|-----|--|
| COLA Partnership status        | N/A | N/A | N/A - Policy Specific | N/A | 4% Lifetime Compound Benefit Increase Rider, then this message will not print.  If the policy either does not have partnership status, or does not have a COLA rider, this message will not print.  If the policy has partnership status, and either the 5% Lifetime Compound Benefit Increase Rider or the 4% Lifetime Compound Benefit Increase Rider then we will print (note there is additional variation bracketed below)  Also, reducing or cancelling the [COLA Rider] may result in a loss of your state partnership status, which may reduce policyholder protections.  If the policy has partnership status, but has a COLA rider apart from the 5% Lifetime              |
|                                |     |     |                       |     | Compound Benefit Increase Rider or the 4% Lifetime Compound Benefit Increase Rider then we will print (note there is additional variation bracketed below) Also, cancelling the [COLA Rider] may result in a loss of your state partnership status, which may reduce policyholder protections.   |
| Latest Election Date           | N/A | N/A | N/A - Policy Specific | N/A | The date until which the options under the Premium Increase Contingent Upon Lapse Rider are available to the policyholder. As long as the triggers are met, the Premium Increase Contingent Upon Lapse Rider automatically becomes effective if the policy lapses within 120 days of the due date of the premium increase.   |

#### Allianz Life Insurance Company of North America

5701 Golden Hills Drive Minneapolis, MN 55416-1297



Re: LTC RATE FILING 2015 GP2

SERFF Tracking Number: ALLB-130164458

Virginia Bureau of Insurance

April 28, 2016

Dear Janet Houser,

Allianz would first like to thank the Bureau for reviewing our filing. We have the following response for the objection letters dated April 19, 2016 and April 22, 2016. We have included the original objections in bold and our responses below them for your convenience.

#### April 19, 2016 Objection Letter

1. Based on the data provided in Table 4 of the April 6, 2016 response letter, the experienced voluntary lapse rate for durations 7+ is 0.99%. Please provide a sensitivity analysis projection using an ultimate voluntary lapse rate of 1.0%. Please include the corresponding 58/85 test with no reduction in benefits or adverse selection.

Attachment 1 to this letter provides nationwide experience projections with and without the requested rate increase, but uses an ultimate lapse rate of 1.0% instead of the current assumption lapse rate of 0.75%. Please note that in Attachment 1 and the exhibits in the actuarial memorandum an additional lapse is added due to the exhaustion of benefits. This additional exhaustion of benefits is still present in Attachment 1.

Attachment 2 to this letter provides the corresponding 58/85 test when using a 1% ultimate lapse rate. No benefit reductions or adverse selection are present in Attachment 2.

2. Please comment on the Company's standard for full credibility and the corresponding credibility of the experience underlying the morbidity assumptions. Please include the number of claims in the historical experience.

Our company pools together *all* long-term care products when conducting our morbidity study due to the low claim incidence of long-term care. Our company uses 1,000 claims as the threshold for full credibility and blends with industry data where it is not.

Credibility formula, number of claims = N

$$\sqrt{N/1000}$$
\*Company Data + $(1-\sqrt{\frac{N}{1000}})$ \*Industry Data

The "Current Assumption Justification" document on the Supporting Documentation provides additional detail into how the credibility was used within our morbidity assumption.

Historically for the Generation Protector II policy form there have been 194 claims reported nationwide and 6 claims reported in Virginia.

3. Question 3 under the Frequently asked questions (FAQ) states the company does not request rate increases in a state when premiums are sufficient to cover the projected cost of the benefits for that particular state. Is this statement correct? Is the company rating premium and experience on a national basis or is Virginia only experience considered credible?

Your interpretation of this statement is not what we had intended. Because we now realize that the statement can be misinterpreted, we are removing the sentence entirely.

To clarify your question, we are pursuing rate increases in states where our projections indicate that premiums are insufficient to cover claims based on national experience.

An updated readability certification for the policyholder notification letter is also enclosed with this letter for all revisions noted in this letter.

4. Please change the reference from Virginia Bureau of Insurance to the Virginia State Corporation Commission.

This reference has been updated on the first page of the letter.

5. Please include language that advises the insured of the right to a revised premium rate or rate schedule pursuant to 14VAC5-200-75 A 4 b.

Note that we have amended the second page of the letter to include the following wording: "For up-to-date information about your current premium and benefit levels, you can request a current policy schedule from Allianz by contacting us at [800.789.6896]."

6. The disclosure under Question 4 of the FAQ regarding partnership status must be emphasized since this is a disclosure required by 14VAC5-200-75-D 2 c. This may be accomplished by bolding, highlighting, using larger print or any other method that will bring attention to this information.

The following sentence has been bolded: "(Additionally, please note that some benefit reduction options may result in a loss in Virginia state partnership status, which may reduce policyholder protections.)"

7. Please expand upon the reason for the rate increase. The first question under the FAQ states the increase is due to a combination of factors outlined in question 2. It is not clear, however, what the drivers are of this increase. As a suggestion, the company may wish to state something to the effect that the rate increase is due in part to individuals living longer and keeping their policies longer, which has resulted in more claims being filed than what was anticipated when the policy was originally priced. Premiums need to be adjusted to ensure there is adequate funding to pay current and anticipated future claims.

We have amended FAQ 2 to include the following verbiage: "Policyholders are using more benefits than our actuaries anticipated when they originally priced our long term care policies. Based on our experience – and new expectations – we need to adjust premiums to ensure adequate funding to pay current and anticipated future claims."

Note that the impact of lower-than-expected mortality and higher-than-expected morbidity would both be to increase the utilization of benefits. We therefore feel that saying "using more benefits than our actuaries anticipated" sufficiently reflects the cause of the rate increase.

8. The policy forms are under review by another examiner.

We have answered the questions related to the other policy forms below.

#### April 22, 2016 Objection Letter

1. The Coverage Change Request Form states under Option D that the policy can be paid up through a return of premium rider (ROP). The two ROP riders found in the copies of policy forms submitted with this filing are triggered by the insured's death, not due to an increase in premiums. Please explain how an ROP would be applicable in this situation. If not applicable, please remove this language from the Coverage Change Request and the Frequently Asked Questions section of the letter.

We would like to keep the ROP wording, because the Coverage Change Request Form serves as a generic form for different states and products. Certain products do have ROP riders that include a provision for paid-up coverage. Option D notes that the riders may be attached to the policy, so we are confident that this extra verbiage will not confuse the policyholder.

2. The Statement of Variability for the Policy Endorsement regarding the number of notification days prior to a rate increase should be changed to a minimum of 75 days pursuant to 14VAC5-200-75 D.

The statement of variability for the Policy Endorsement has been updated with a minimum of 75 days. As this Policy Endorsement is being filed under SERFF tracking # ALLB-128730838, please see this filing for the new statement of variability.

3. Will the Contingent Benefit Upon Lapse (CBUL) be offered to all policyholders regardless of the triggers? If that is not the case, the CBUL language must be amended for compliance with revised 14VAC5-185 D 3.

All policyholders experiencing a rate increase will receive the Premium Increase Contingent Benefit Upon Lapse Rider (PICBUL) along with their Policyholder Notification Letter; the PICBUL was approved in ALLB-128978105. Note that the PICBUL includes the same benefits as the CBUL, but that it is triggered upon any rate increase amount. The PICBUL is therefore more generous than the requirements set out in 14VAC5185 D 3, and we do not feel that CBUL requires revision. Note that we will print the Latest Election Date of the PICBUL so that they have the same 120 day election period as the CBUL.

# Attachment 1 Allianz Life Insurance Company of North America National Policy Form Series : 11-P-Q As of 12/31/2014

No Rate Increase, Pricing Interest Rate, & Best Estimate Except 1% Ultimate Lapse Rate

| <u>Year</u>           | Earned Premium*            | Incurred Claims*             | Loss Ratio         |
|-----------------------|----------------------------|------------------------------|--------------------|
| 2006                  | \$1,720,870                | \$0                          | 0.0%               |
| 2007                  | \$11,618,948               | \$226,659                    | 2.0%               |
| 2008                  | \$25,153,341               | \$130,729                    | 0.5%               |
| 2009                  | \$34,229,481               | \$635,798                    | 1.9%               |
| 2010                  | \$37,743,853               | \$688,811                    | 1.8%               |
| 2011                  | \$36,614,035               | \$1,564,630                  | 4.3%               |
| 2012                  | \$35,819,346               | \$3,303,696                  | 9.2%               |
| 2013                  | \$35,211,460               | \$3,499,104                  | 9.9%               |
| 2014                  | \$34,506,297               | \$2,856,344                  | 8.3%               |
| 2015                  | \$34,064,272               | \$5,401,680                  | 15.9%              |
| 2016                  | \$33,044,035               | \$6,269,638                  | 19.0%              |
| 2017                  | \$31,356,710               | \$7,305,943                  | 23.3%              |
| 2018                  | \$29,790,211               | \$8,512,855                  | 28.6%              |
| 2019                  | \$28,371,876               | \$9,875,616                  | 34.8%              |
| 2020                  | \$27,188,154               | \$11,412,193                 | 42.0%              |
| 2021                  | \$26,236,142               | \$13,132,739                 | 50.1%              |
| 2022                  | \$25,236,586               | \$15,064,505                 | 59.7%              |
| 2023                  | \$24,231,228               | \$17,190,795                 | 70.9%              |
| 2024                  | \$23,188,385               | \$19,504,252                 | 84.1%              |
| 2025                  | \$22,123,363               | \$22,012,122                 | 99.5%              |
| 2026                  | \$21,026,663               | \$24,675,791                 | 117.4%             |
| 2027                  | \$19,910,333               | \$27,482,520                 | 138.0%             |
| 2028                  | \$18,763,520               | \$30,340,362                 | 161.7%             |
| 2029                  | \$17,596,048               | \$33,251,331                 | 189.0%             |
| 2030                  | \$16,419,791               | \$36,112,153                 | 219.9%             |
| 2031                  | \$15,271,294               | \$38,868,916                 | 254.5%             |
| 2032                  | \$14,144,738               | \$41,460,970                 | 293.1%             |
| 2033                  | \$13,046,237               | \$43,795,214                 | 335.7%             |
| 2034                  | \$11,980,681               | \$45,824,510                 | 382.5%             |
| 2035                  | \$10,954,961               | \$47,477,706                 | 433.4%             |
| 2036                  | \$9,964,039                | \$48,848,853                 | 490.3%             |
| 2037                  | \$9,016,238                | \$50,429,631                 | 559.3%             |
| 2038                  | \$8,114,952                | \$52,434,716                 | 646.1%             |
| 2039                  | \$7,265,384                | \$54,719,188                 | 753.1%             |
| 2040                  | \$6,467,318                | \$56,868,973                 | 879.3%             |
| 2041<br>2042          | \$5,722,325<br>\$5,030,656 | \$58,496,030                 | 1022.2%<br>1183.5% |
| 2042                  | \$5,030,656<br>\$4,307,310 | \$59,537,824                 | 1363.0%            |
| 2043                  | \$4,397,310<br>\$3,818,774 | \$59,934,405<br>\$59,687,287 | 1563.0%            |
| 2045                  | \$3,295,419                | \$58,813,898                 | 1784.7%            |
| 2046                  | \$2,825,835                | \$57,354,448                 | 2029.6%            |
| 2047                  | \$2,407,623                | \$55,335,625                 | 2298.4%            |
| 2048                  | \$2,038,205                | \$52,823,742                 | 2591.7%            |
| 2049                  | \$1,714,563                | \$49,900,058                 | 2910.4%            |
| 2050                  | \$1,433,343                | \$46,667,745                 | 3255.9%            |
| 2051                  | \$1,190,956                | \$43,229,201                 | 3629.8%            |
| 2052                  | \$983,697                  | \$39,675,938                 | 4033.3%            |
| 2053                  | \$807,857                  | \$36,081,167                 | 4466.3%            |
| 2054                  | \$659,808                  | \$32,531,964                 | 4930.5%            |
| 2055                  | \$536,078                  | \$29,105,263                 | 5429.3%            |
| 2056                  | \$433,399                  | \$25,850,726                 | 5964.6%            |
| 2057                  | \$348,755                  | \$22,800,244                 | 6537.6%            |
| 2058                  | \$279,410                  | \$19,980,143                 | 7150.8%            |
| 2059                  | \$222,928                  | \$17,414,923                 | 7811.9%            |
| 2060                  | \$177,169                  | \$15,092,857                 | 8518.9%            |
| 2061                  | \$140,279                  | \$13,018,237                 | 9280.2%            |
| 2062                  | \$110,672                  | \$11,187,549                 | 10108.7%           |
| 2063                  | \$87,010                   | \$9,578,438                  | 11008.4%           |
| 2064                  | \$68,174                   | \$8,170,952                  | 11985.4%           |
| 2065                  | \$53,236                   | \$6,946,781                  | 13049.1%           |
| 2066                  | \$41,428                   | \$5,887,253                  | 14210.8%           |
| 2067                  | \$32,126                   | \$4,972,305                  | 15477.6%           |
| 2068                  | \$24,821                   | \$4,191,901                  | 16888.3%           |
| 2069                  | \$19,108                   | \$3,529,342                  | 18470.4%           |
| 2070+                 | \$59,792                   | \$16,541,971                 | 27666.0%           |
|                       |                            |                              |                    |
| Summar                | y of Experience at 4       |                              |                    |
|                       | Earned Premium*            |                              | Loss Ratio         |
| Historical (YE2014)   | \$291,996,853              | \$14,146,438                 | 4.8%               |
| ected Future (2015 +) | \$367,147,769              | \$641,107,208                | 174.6%             |

|                            | Earned Premium* | Incurred Claims* | Loss Ratio |
|----------------------------|-----------------|------------------|------------|
| Historical (YE2014)        | \$291,996,853   | \$14,146,438     | 4.8%       |
| Projected Future (2015 +)  | \$367,147,769   | \$641,107,208    | 174.6%     |
| Total Lifetime Anticipated | \$659,144,622   | \$655,253,646    | 99.4%      |

<sup>\*</sup>Actuals for 2014 and prior

Attachment 1
Allianz Life Insurance Company of North America
National
Policy Form Series : 11-P-Q
As of 12/31/2014

With Rate Increase, Pricing Interest Rate, & Best Estimate Except 1% Ultimate Lapse Rate

|                            | •                            | •                            |                    |
|----------------------------|------------------------------|------------------------------|--------------------|
| Year                       | Earned Premium*              | Incurred Claims*             | Loss Ratio         |
| 2006                       | \$1.720.970                  | 02                           | 0.007              |
| 2006<br>2007               | \$1,720,870<br>\$11,618,948  | \$0<br>\$226,659             | 0.0%<br>2.0%       |
| 2007                       | \$25,153,341                 | \$130,729                    | 0.5%               |
| 2009                       | \$34,229,481                 | \$635,798                    | 1.9%               |
| 2010                       | \$37,743,853                 | \$688,811                    | 1.8%               |
| 2011                       | \$36,614,035                 | \$1,564,630                  | 4.3%               |
| 2012                       | \$35,819,346                 | \$3,303,696                  | 9.2%               |
| 2013                       | \$35,211,460                 | \$3,499,104                  | 9.9%               |
| 2014<br>2015               | \$34,506,297                 | \$2,856,344<br>\$5,207,914   | 8.3%<br>16.4%      |
| 2016                       | \$31,778,848<br>\$33,052,801 | \$6,058,471                  | 18.3%              |
| 2017                       | \$43,819,643                 | \$7,163,649                  | 16.3%              |
| 2018                       | \$43,682,302                 | \$8,361,271                  | 19.1%              |
| 2019                       | \$41,580,123                 | \$9,685,423                  | 23.3%              |
| 2020                       | \$39,866,155                 | \$11,163,275                 | 28.0%              |
| 2021                       | \$38,522,498                 | \$12,801,799                 | 33.2%              |
| 2022                       | \$37,107,985                 | \$14,636,903                 | 39.4%<br>46.7%     |
| 2023<br>2024               | \$35,683,646<br>\$34,202,313 | \$16,651,905<br>\$18,839,509 | 55.1%              |
| 2025                       | \$32,682,400                 | \$21,203,427                 | 64.9%              |
| 2026                       | \$31,111,023                 | \$23,706,167                 | 76.2%              |
| 2027                       | \$29,508,118                 | \$26,338,117                 | 89.3%              |
| 2028                       | \$27,856,319                 | \$29,009,554                 | 104.1%             |
| 2029                       | \$26,167,425                 | \$31,718,100                 | 121.2%             |
| 2030                       | \$24,460,888                 | \$34,373,438                 | 140.5%             |
| 2031<br>2032               | \$22,792,802<br>\$21,153,051 | \$36,922,973<br>\$39,312,398 | 162.0%<br>185.8%   |
| 2033                       | \$19,546,813                 | \$41,446,477                 | 212.0%             |
| 2034                       | \$17,985,925                 | \$43,284,390                 | 240.7%             |
| 2035                       | \$16,478,715                 | \$44,772,102                 | 271.7%             |
| 2036                       | \$15,020,032                 | \$45,992,928                 | 306.2%             |
| 2037                       | \$13,616,731                 | \$47,414,056                 | 348.2%             |
| 2038                       | \$12,278,451                 | \$49,232,288                 | 401.0%             |
| 2039<br>2040               | \$11,014,203<br>\$9,822,412  | \$51,307,119<br>\$53,254,591 | 465.8%<br>542.2%   |
| 2040                       | \$8,706,230                  | \$54,712,372                 | 628.4%             |
| 2042                       | \$7,666,833                  | \$55,627,920                 | 725.6%             |
| 2043                       | \$6,712,633                  | \$55,943,821                 | 833.4%             |
| 2044                       | \$5,839,215                  | \$55,659,312                 | 953.2%             |
| 2045                       | \$5,046,772                  | \$54,801,722                 | 1085.9%            |
| 2046                       | \$4,333,690                  | \$53,408,657                 | 1232.4%            |
| 2047<br>2048               | \$3,697,115<br>\$3,133,558   | \$51,493,875<br>\$49,126,238 | 1392.8%<br>1567.7% |
| 2049                       | \$2,638,809                  | \$46,380,502                 | 1757.6%            |
| 2050                       | \$2,208,085                  | \$43,350,804                 | 1963.3%            |
| 2051                       | \$1,836,189                  | \$40,133,846                 | 2185.7%            |
| 2052                       | \$1,517,685                  | \$36,818,360                 | 2426.0%            |
| 2053                       | \$1,247,077                  | \$33,467,868                 | 2683.7%            |
| 2054<br>2055               | \$1,018,955<br>\$828,099     | \$30,164,030                 | 2960.3%<br>3257.8% |
| 2056                       | \$669,575                    | \$26,977,685<br>\$23,950,522 | 3577.0%            |
| 2057                       | \$538,803                    | \$21,112,690                 | 3918.4%            |
| 2058                       | \$431,615                    | \$18,488,990                 | 4283.7%            |
| 2059                       | \$344,285                    | \$16,103,283                 | 4677.3%            |
| 2060                       | \$273,529                    | \$13,944,295                 | 5097.9%            |
| 2061                       | \$216,496                    | \$12,015,412                 | 5549.9%            |
| 2062                       | \$170,740                    | \$10,313,444                 | 6040.4%            |
| 2063<br>2064               | \$134,191<br>\$105,116       | \$8,818,337<br>\$7,512,480   | 6571.5%<br>7146.9% |
| 2065                       | \$82,074                     | \$6,378,380                  | 7771.5%            |
| 2066                       | \$63,876                     | \$5,398,203                  | 8451.1%            |
| 2067                       | \$49,551                     | \$4,552,960                  | 9188.5%            |
| 2068                       | \$38,307                     | \$3,832,967                  | 10005.9%           |
| 2069                       | \$29,515                     | \$3,223,166                  | 10920.4%           |
| 2070+                      | \$92,691                     | \$15,107,999                 | 16299.3%           |
| Summary                    | of Experience at 4           | % Interest                   |                    |
| 5                          | Earned Premium*              |                              | Loss Ratio         |
| Historical (YE2014)        | \$291,996,853                | \$14,146,438                 | 4.8%               |
| Projected Future (2015 +)  | \$508,045,798                | \$605,588,912                | 119.2%             |
| Total Lifetime Anticipated | \$800,042,650                | \$619,735,350                | 77.5%              |
|                            |                              |                              |                    |

<sup>\*</sup>Actuals for 2014 and prior

#### Attachment 2

#### 58/85 Calculations

#### Allianz Life Insurance Company of North America

#### National

Policy Form Series: 11-P-Q

Following the format of Section 20(C)(2) of Model 641 (Long-Term Care Insurance Model Regulation), the "58/85" calculation is as follows (all dollar values in millions):

| a) | The accumulated value of the initial earned premium is 58% of this value:  | 292.00<br>169.36                   |
|----|--|------------------------------------|
| b) | The accumulated value of prior premium rate schedule increases is 85% of this value:   | 0.00<br>0.00                       |
| c) | The present value of future projected initial earned premiums is   | 367.15                             |
|    | 58% of this value:   | 212.95                             |
| d) | The present value of future projected earned premium from prior premium rate schedule increases is PV of future projected EP from 60% increase:  Combined:  85% of this value: | 0.00<br>181.41<br>181.41<br>154.20 |
| e) | The accumulated value of past incurred claims is The present value of future projected incurred claims is sum of these 2 values:   | 14.15<br>705.22<br>719.36          |
| f) | The sum of a,b,c and d is This amount is less than e)  | 536.51<br>719.36                   |

<sup>\*</sup>All projected values shown ignore the effects of any reduction of benefits and adverse selection and are projected using an ultimate lapse rate of 1.0%.

# **Allianz Life Insurance Company of North America** 5701 Golden Hills Drive Minneapolis, MN 55416-1297



Re: LTC RATE FILING 2015 GP2

SERFF Tracking Number: ALLB-130164458

Virginia Bureau of Insurance

May 18, 2016

Dear Janet Houser,

Allianz would first like to thank the Bureau for reviewing our filing. We have the following responses for the objection letter dated May 12, 2016. We have included the original objections in bold and our responses below them for your convenience.

1. We appreciate your explanation regarding the Return of Premium Rider. Because the benefit is not available in Virginia, please remove this benefit or place brackets around the Return of Premium Rider referenced in the policyholder letter, frequently asked questions and Coverage Change Request form and amend the Statement of Variability to indicate this will not appear in communication addressed to Virginia policyholders. We realize the form uses the word 'may' but it remained unclear to us and may be potentially misleading to our policyholders. This simply isn't an option that can be chosen in Virginia and should not be included in the policyholder letter or appear available for selection.

The policyholder notification letter, frequently asked questions, and coverage change request form have been updated to have the Return of Premium Rider as variable language. The statement of variability for the policyholder letter and frequently asked questions has been updated accordingly. The coverage change request form's applicable statement of variability is being filed and updated under SERFF tracking # ALLB-128730838.

The Return of Premium Rider will not appear in any communication addressed to Virginia policyholders.

2. Should the option to reduce the benefit period be chosen, please confirm the benefit period will never be reduced than 12 months.

If a policyholder elects to reduce their benefit period, their benefit period will never be reduced less than 12 months.

3. According to your response, all policyholders will receive a PICBUL rider which indicates the contingent benefit upon lapse option (CBUL) is available upon "any" rate increase now and in the future, correct? How does the insured know this form replaces the CBUL rider 10-E-1-VA which was approved with the policy?

Yes, the Premium Increase Contingent Benefit Upon Lapse (PICBUL) rider is available upon any rate increase now and in the future.

The PICBUL rider is superior in every way to the standard contingent non-forfeiture benefit (10-E-1-VA). There is language currently in the PICBUL that states "If there are any conflicts between this Rider and the Contract, including any attached Benefit increase Rider, the provisions of this Rider will prevail." The Contract refers to the policy/contract in which the PICBUL Rider Schedule identifies. The specific language in the PICBUL rider can be found in the SERFF filing for this rider (SERFF #ALLB-128978105).

As always a toll free number for policyholders to call is always available if they have any questions regarding the PICBUL Rider or its benefits.

4. The letter references the full corporate name of the insurer and later as only Allianz. While we do not have a concern regarding this format, the letter should explain that the corporate name may be referred to as Allianz. Our concern would be resolved if the first sentence of the letter were stated as At Allianz Life Insurance Company of North America (Allianz), our highest priority is fulfilling our commitments to our policyholders."

We have added the suggested change to the policyholder letter.

# **Allianz Life Insurance Company of North America** 5701 Golden Hills Drive Minneapolis, MN 55416-1297



Re: LTC RATE FILING 2015 GP2

SERFF Tracking Number: ALLB-130164458

Virginia Bureau of Insurance

May 31, 2016

Dear Janet Houser,

Allianz would first like to thank the Bureau for reviewing our filing. We have the following responses for the objection letter dated May 27, 2016. We have included the original objections in bold and our responses below them for your convenience.

1. Please amend the Actuarial Certification for compliance with 14VAC5-200-153 B 2 b to indicate the premium rate filing is in compliance with the provisions of this section.

Enclosed with this letter is an updated actuarial memorandum providing a revised actuarial certification demonstrating compliance with 14VAC5-200-153.

2. Please move the current rate information to Supporting Documentation since these rates are not subject to approval. It is not necessary to list each rider as a separate line item. The forms may all be listed under the "Affected Form Numbers" column and separated by commas.

The current rate tables have been moved to the Supporting Documentation tab within SERFF.

All affected form numbers have been consolidated to one line item on the Rate/Rule Schedule tab separated by commas. Due to constraints within SERFF we are unable to completely remove the no longer applicable line items on the Rate/Rule Schedule tab. We have removed as much information as possible from these no longer applicable line items.

3. There is some information on the Statement of Variability that should be rephrased to remove any potential confusion or misunderstanding:

The values under for anniversary1 states 3/17/2016 as a minimum and 12/31/2100 as a maximum. In this particular instance, a range would not be applicable. The insured must receive a 75 day notice prior to the rate increase. We suggest the explanation should be stated it is the policy anniversary date following the minimum 75 day notice of a rate increase.

Because the effect on partnership status is a required disclosure as set forth in 14VAC5-200-75 D 2 c, please highlight, bold or in some other fashion emphasize this language to bring attention to its importance.

The latest election date states this is the date which the options under the premium increase contingent upon lapse rider is available. For clarification purposes, the contingent benefit upon lapse benefit rider, if the triggers are met, automatically becomes effective if the policy lapses within 120 days of the due date of the premium increase as set forth in 14VAC5-200-185 D 3. Please amend the language accordingly.

The statement of variability has been updated for the following:

- Removal of the range of values for the "anniversary1" variable
- Additional language was added to specify that the "anniversary1" date will follow the minimum 75 day notice for a rate increase.
- The partnership language in the statement of variability has been bolded.

• Additional language was added for the "Latest Election Date" to clarify when the Premium Increase Contingent Benefit Upon Lapse becomes effective.

In addition to the statement of variability revisions, all partnership language in the policyholder notification letter has been bolded.

#### **Generation Protector 2 (Current)**

Base Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit
Daily Benefit range from \$50 - \$99

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

Facility Care Benefit and 130% Home and Community Care Benefit

| Age      | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime  | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   |
|----------|----------|----------|----------|----------|----------|-----------|----------|----------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|
| 18-40    | 40       | 43       | 47       | 50       | 55       | 64        | 41       | 45       | 49       | 51       | 57       | 67         | 46       | 51       | 53       | 57       | 62       | 74         |
| 41       | 40       | 43       | 47       | 50       | 55       | 64        | 41       | 45       | 49       | 52       | 58       | 67         | 46       | 51       | 53       | 57       | 63       | 74         |
| 42       | 40       | 43       | 48       | 51       | 56       | 65        | 41       | 45       | 50       | 52       | 58       | 68         | 46       | 51       | 54       | 58       | 63       | 75         |
| 43       | 41       | 45       | 49       | 52       | 57       | 67        | 42       | 46       | 51       | 53       | 59       | 69         | 47       | 52       | 55       | 59       | 65       | 76         |
| 44       | 42       | 46       | 50       | 53       | 58       | 68        | 43       | 47       | 52       | 54       | 60       | 71         | 48       | 53       | 56       | 60       | 66       | 78         |
| 45       | 43       | 48       | 51       | 54       | 59       | 69        | 44       | 48       | 53       | 55       | 61       | 72         | 49       | 54       | 57       | 61       | 67       | 79         |
| 46       | 44       | 49       | 52       | 55       | 60       | 71        | 45       | 49       | 54       | 56       | 62       | 74         | 50       | 55       | 59       | 62       | 68       | 80         |
| 47       | 45       | 51       | 53       | 56       | 61       | 72        | 47       | 50       | 55       | 57       | 63       | 75         | 51       | 57       | 60       | 63       | 70       | 82         |
| 48       | 46       | 51       | 54       | 57       | 62       | 74        | 47       | 51       | 56       | 58       | 63       | 77         | 52       | 57       | 61       | 64       | 70       | 84         |
| 49       | 46       | 52       | 55       | 58       | 63       | 76        | 48       | 52       | 56       | 59       | 64       | 78         | 52       | 57       | 61       | 64       | 71       | 85         |
| 50       | 47       | 52       | 55       | 58       | 63       | 78        | 48       | 53       | 57       | 60       | 65       | 80         | 53       | 58       | 62       | 65       | 72       | 87         |
| 51       | 48       | 53       | 56       | 59       | 64       | 79        | 49       | 54       | 57       | 60       | 66       | 82         | 54       | 58       | 63       | 65       | 73       | 89         |
| 52       | 49       | 54       | 57       | 60       | 65       | 81        | 50       | 54       | 58       | 61       | 67       | 83         | 55       | 58       | 64       | 66       | 74       | 91         |
| 53       | 50       | 55       | 60       | 63       | 68       | 85        | 51       | 56       | 61       | 64       | 70       | 87         | 57       | 61       | 66       | 69       | 77       | 95         |
| 54       | 52       | 57       | 62       | 66       | 72       | 89        | 53       | 58       | 63       | 67       | 74<br>77 | 91         | 58       | 63       | 69<br>72 | 72       | 81       | 99         |
| 55       | 54       | 59       | 64       | 68       | 75<br>70 | 94        | 55<br>57 | 60       | 66       | 70       |          | 95         | 60       | 65<br>67 |          | 75<br>70 | 85       | 104        |
| 56<br>57 | 56<br>50 | 61<br>63 | 67<br>69 | 71<br>74 | 79<br>82 | 98<br>102 | 57<br>50 | 62<br>63 | 68<br>71 | 73<br>76 | 80<br>84 | 100<br>104 | 62<br>64 | 67<br>70 | 74<br>77 | 79<br>82 | 88<br>92 | 108<br>112 |
|          | 58<br>62 | 63<br>67 | 75       | 74<br>80 | 89       | 110       | 58       | 68       | 71       | 76<br>82 | 91       | 113        | 69       | 70<br>75 | 84       | 89       | 92       | 122        |
| 58<br>59 | 67       | 72       | 75<br>81 | 86       | 96       | 119       | 63<br>67 | 73       | 83       | 89       | 98       | 122        | 74       | 75<br>80 | 90       | 95       | 107      | 132        |
| 60       | 71       | 72<br>76 | 87       | 92       | 102      | 128       | 72       | 73<br>78 | 88       | 95       | 105      | 132        | 74<br>79 | 85       | 97       | 102      | 114      | 143        |
| 61       | 76       | 81       | 92       | 98       | 102      | 136       | 76       | 83       | 94       | 101      | 112      | 141        | 84       | 90       | 103      | 102      | 122      | 153        |
| 62       | 80       | 86       | 98       | 105      | 116      | 145       | 81       | 87       | 100      | 108      | 119      | 150        | 89       | 95       | 109      | 116      | 129      | 163        |
| 63       | 88       | 94       | 108      | 116      | 128      | 160       | 89       | 96       | 110      | 119      | 132      | 166        | 97       | 104      | 120      | 129      | 143      | 180        |
| 64       | 95       | 103      | 117      | 127      | 140      | 175       | 96       | 105      | 119      | 131      | 145      | 181        | 105      | 114      | 130      | 141      | 157      | 197        |
| 65       | 103      | 111      | 126      | 139      | 152      | 191       | 104      | 113      | 129      | 142      | 159      | 197        | 114      | 123      | 141      | 154      | 170      | 214        |
| 66       | 111      | 120      | 136      | 150      | 165      | 206       | 112      | 122      | 138      | 154      | 172      | 212        | 122      | 133      | 151      | 167      | 184      | 231        |
| 67       | 118      | 128      | 145      | 161      | 177      | 221       | 120      | 131      | 148      | 165      | 185      | 228        | 130      | 142      | 162      | 180      | 198      | 248        |
| 68       | 135      | 145      | 164      | 184      | 202      | 249       | 137      | 149      | 168      | 189      | 211      | 257        | 148      | 162      | 183      | 205      | 227      | 281        |
| 69       | 151      | 163      | 182      | 207      | 227      | 277       | 153      | 166      | 187      | 213      | 236      | 287        | 167      | 181      | 204      | 231      | 255      | 313        |
| 70       | 167      | 180      | 201      | 230      | 252      | 305       | 170      | 184      | 207      | 236      | 262      | 316        | 185      | 201      | 225      | 257      | 284      | 345        |
| 71       | 183      | 197      | 219      | 252      | 277      | 333       | 186      | 202      | 227      | 260      | 287      | 346        | 203      | 220      | 246      | 283      | 313      | 377        |
| 72       | 199      | 214      | 238      | 275      | 302      | 360       | 203      | 220      | 247      | 284      | 313      | 375        | 221      | 239      | 267      | 309      | 342      | 409        |
| 73       | 226      | 243      | 271      | 314      | 344      | 409       | 230      | 250      | 280      | 324      | 357      | 426        | 251      | 272      | 302      | 352      | 390      | 464        |
| 74       | 253      | 272      | 303      | 352      | 387      | 457       | 258      | 279      | 314      | 363      | 401      | 476        | 281      | 304      | 337      | 395      | 438      | 519        |
| 75       | 280      | 301      | 336      | 391      | 430      | 505       | 286      | 309      | 347      | 403      | 446      | 526        | 312      | 337      | 373      | 439      | 486      | 574        |
| 76       | 307      | 330      | 369      | 429      | 472      | 553       | 313      | 339      | 381      | 443      | 490      | 577        | 342      | 369      | 408      | 482      | 533      | 628        |
| 77       | 334      | 359      | 401      | 468      | 515      | 602       | 341      | 369      | 414      | 483      | 534      | 627        | 372      | 402      | 443      | 526      | 581      | 683        |
| 78       | 376      | 403      | 446      | 511      | 564      | 660       | 384      | 413      | 460      | 527      | 585      | 688        | 419      | 450      | 495      | 574      | 642      | 749        |
| 79       | 419      | 446      | 491      | 554      | 614      | 718       | 427      | 458      | 506      | 571      | 636      | 749        | 466      | 499      | 546      | 622      | 703      | 816        |
| 80       | 461      | 490      | 535      | 597      | 663      | 777       | 471      | 502      | 552      | 615      | 687      | 810        | 513      | 548      | 598      | 670      | 764      | 882        |
| 81       | 504      | 533      | 580      | 640      | 712      | 835       | 514      | 547      | 597      | 659      | 738      | 870        | 560      | 596      | 650      | 719      | 825      | 948        |
| 82       | 547      | 577      | 624      | 682      | 762      | 894       | 558      | 591      | 643      | 703      | 789      | 931        | 607      | 645      | 701      | 767      | 886      | 1,015      |
| 83       | 601      | 636      | 690      | 757      | 845      | 991       | 614      | 652      | 711      | 780      | 876      | 1,035      | 655      | 711      | 776      | 850      | 983      | 1,127      |
| 84       | 663      | 700      | 763      | 839      | 937      | 1,099     | 677      | 719      | 787      | 865      | 971      | 1,148      | 721      | 783      | 857      | 943      | 1,091    | 1,252      |

#### **Generation Protector 2 (Current)**

Base Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit
Daily Benefit range from \$100 - \$500

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

Facility Care Benefit and 130% Home and Community Care Benefit

| Age      | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   | 2 year     | 3 year     | 4 year     | 5 year               | 8 year     | Lifetime     |
|----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|----------------------|------------|--------------|
| 18-40    | 32         | 36         | 40         | 42         | 47         | 57         | 33         | 37         | 41         | 44         | 49         | 60         | 37         | 41         | 45         | 49                   | 54         | 66           |
| 41       | 32         | 36         | 40         | 42         | 47         | 57         | 33         | 37         | 41         | 45         | 50         | 60         | 37         | 41         | 45         | 49                   | 55         | 66           |
| 42       | 32         | 36         | 41         | 43         | 48         | 58         | 33         | 37         | 42         | 45         | 50         | 61         | 37         | 42         | 46         | 50                   | 55         | 67           |
| 43       | 33         | 37         | 42         | 44         | 49         | 60         | 34         | 38         | 43         | 45         | 51         | 62         | 38         | 43         | 47         | 50                   | 56         | 68           |
| 44       | 34         | 38         | 42         | 45         | 50         | 61         | 35         | 39         | 44         | 46         | 51         | 63         | 39         | 44         | 48         | 51                   | 57         | 69           |
| 45       | 35         | 39         | 43         | 46         | 51         | 62         | 36         | 39         | 45         | 47         | 52         | 64         | 40         | 44         | 48         | 52                   | 58         | 71           |
| 46       | 36         | 40         | 44         | 47         | 52         | 63         | 37         | 40         | 45         | 48         | 53         | 66         | 40         | 45         | 49         | 53                   | 59         | 72           |
| 47       | 36         | 41         | 44         | 47         | 53         | 64         | 38         | 41         | 46         | 49         | 54         | 67         | 41         | 46         | 50         | 53                   | 60         | 73           |
| 48       | 37         | 42         | 45         | 48         | 54         | 66         | 38         | 42         | 47         | 49         | 55         | 68         | 42         | 47         | 51         | 54                   | 61         | 75           |
| 49       | 37         | 43         | 46         | 49         | 54         | 68         | 38         | 43         | 47         | 50         | 56         | 70         | 42         | 47         | 52         | 55                   | 62         | 77           |
| 50       | 38         | 43         | 47         | 50         | 55         | 70         | 39         | 44         | 48         | 51         | 56         | 72         | 43         | 48         | 52         | 55                   | 62         | 78           |
| 51       | 39         | 44         | 47         | 51         | 56         | 71         | 39         | 45         | 48         | 51         | 57         | 73         | 43         | 48         | 53         | 56                   | 63         | 80           |
| 52       | 39         | 45         | 48         | 51         | 56         | 73         | 40         | 45         | 49         | 52         | 58         | 75         | 44         | 49         | 54         | 57                   | 64         | 82           |
| 53       | 41         | 46         | 50         | 54         | 59         | 77         | 41         | 47         | 51         | 54         | 61         | 78         | 45         | 50         | 56         | 59                   | 67         | 85           |
| 54       | 42         | 47         | 52         | 56         | 62         | 80         | 43         | 48         | 53         | 57         | 63         | 82         | 47         | 52         | 58         | 61                   | 70         | 89           |
| 55       | 43         | 49<br>50   | 54<br>56   | 58         | 64         | 84<br>87   | 44<br>45   | 50         | 55<br>57   | 59         | 66<br>68   | 85         | 48         | 54<br>56   | 60         | 64                   | 72<br>75   | 93           |
| 56<br>57 | 45<br>46   | 50<br>52   | 56<br>57   | 60<br>62   | 67<br>69   | 91         | 45<br>47   | 51<br>52   | 57<br>59   | 61<br>64   | 71         | 89<br>93   | 50<br>51   | 56<br>58   | 62<br>64   | 66<br>69             | 75<br>78   | 96<br>100    |
| 58       | 50         | 55         | 62         | 67         | 75         | 98         | 50         | 56         | 64         | 69         | 77         | 100        | 55         | 62         | 69         | 74                   | 84         | 108          |
| 59       | 53         | 59         | 66         | 72         | 80         | 105        | 54         | 60         | 68         | 74         | 82         | 100        | 59         | 66         | 74         | 7 <del>4</del><br>79 | 90         | 117          |
| 60       | 57         | 63         | 71         | 77         | 86         | 112        | 57         | 64         | 72         | 79         | 88         | 115        | 63         | 70         | 79         | 85                   | 96         | 125          |
| 61       | 60         | 66         | 75         | 82         | 91         | 119        | 61         | 68         | 77         | 84         | 93         | 123        | 67         | 74         | 84         | 90                   | 102        | 133          |
| 62       | 64         | 70         | 80         | 86         | 97         | 126        | 64         | 72         | 81         | 89         | 99         | 131        | 71         | 78         | 89         | 96                   | 108        | 142          |
| 63       | 70         | 77         | 88         | 95         | 106        | 139        | 70         | 78         | 90         | 98         | 110        | 144        | 77         | 85         | 98         | 106                  | 119        | 156          |
| 64       | 76         | 83         | 96         | 104        | 116        | 152        | 76         | 85         | 98         | 107        | 121        | 158        | 84         | 93         | 107        | 116                  | 130        | 171          |
| 65       | 82         | 90         | 105        | 113        | 126        | 166        | 83         | 92         | 106        | 116        | 131        | 171        | 90         | 100        | 116        | 126                  | 141        | 186          |
| 66       | 88         | 97         | 113        | 122        | 136        | 179        | 89         | 99         | 115        | 125        | 142        | 185        | 97         | 107        | 126        | 136                  | 152        | 201          |
| 67       | 94         | 103        | 121        | 131        | 146        | 192        | 95         | 106        | 123        | 134        | 153        | 198        | 103        | 115        | 135        | 146                  | 164        | 216          |
| 68       | 106        | 117        | 136        | 150        | 166        | 216        | 108        | 120        | 140        | 154        | 174        | 223        | 117        | 130        | 152        | 167                  | 187        | 243          |
| 69       | 119        | 131        | 152        | 168        | 187        | 239        | 121        | 134        | 156        | 173        | 194        | 247        | 131        | 146        | 170        | 188                  | 210        | 270          |
| 70       | 131        | 144        | 167        | 187        | 207        | 262        | 133        | 148        | 173        | 192        | 215        | 272        | 145        | 161        | 187        | 209                  | 234        | 296          |
| 71       | 143        | 158        | 183        | 205        | 227        | 285        | 146        | 162        | 189        | 211        | 236        | 296        | 159        | 176        | 205        | 230                  | 257        | 323          |
| 72       | 155        | 172        | 198        | 224        | 247        | 308        | 159        | 176        | 206        | 231        | 257        | 321        | 173        | 192        | 222        | 251                  | 280        | 350          |
| 73       | 176        | 194        | 226        | 255        | 282        | 349        | 179        | 199        | 234        | 263        | 293        | 364        | 195        | 217        | 252        | 286                  | 319        | 397          |
| 74       | 196        | 217        | 253        | 286        | 317        | 390        | 200        | 222        | 262        | 296        | 329        | 407        | 218        | 242        | 281        | 321                  | 359        | 443          |
| 75       | 216        | 240        | 280        | 318        | 352        | 432        | 221        | 246        | 290        | 328        | 365        | 450        | 241        | 268        | 311        | 357                  | 398        | 490          |
| 76       | 236        | 262        | 307        | 349        | 387        | 473        | 241        | 269        | 317        | 361        | 402        | 493        | 264        | 293        | 340        | 392                  | 437        | 537          |
| 77       | 257        | 285        | 334        | 380        | 422        | 514        | 262        | 293        | 345        | 393        | 438        | 536        | 286        | 319        | 369        | 427                  | 477        | 584          |
| 78       | 288        | 319        | 372        | 416        | 462        | 564        | 293        | 327        | 383        | 430        | 480        | 588        | 320        | 357        | 412        | 468                  | 526        | 640          |
| 79       | 318        | 353        | 409        | 452        | 503        | 614        | 325        | 362        | 422        | 466        | 521        | 640        | 354        | 395        | 455        | 508                  | 576        | 697          |
| 80       | 349        | 387        | 446        | 488        | 543        | 664        | 356        | 396        | 460        | 503        | 563        | 692        | 388        | 432        | 498        | 548                  | 626        | 754          |
| 81       | 380        | 420<br>454 | 483        | 524<br>550 | 584<br>625 | 714        | 388        | 431        | 498        | 540<br>576 | 605        | 744        | 422        | 470<br>500 | 541<br>594 | 588                  | 676<br>726 | 810          |
| 82       | 411        | 454<br>501 | 520<br>575 | 559        |            | 764<br>947 | 419        | 466        | 536        |            | 647        | 796        | 456        | 508        | 584        | 629<br>607           | 726        | 867          |
| 83<br>84 | 452<br>499 | 501<br>551 | 575<br>636 | 621<br>688 | 693<br>768 | 847<br>939 | 462<br>509 | 513<br>566 | 593<br>656 | 640<br>709 | 718<br>796 | 884<br>981 | 493<br>542 | 560<br>616 | 646<br>714 | 697<br>773           | 805<br>894 | 963<br>1,070 |
| 04       | 433        | 331        | 030        | 000        | 700        | 509        | 509        | 500        | 000        | 709        | 130        | 901        | 342        | 010        | / 14       | 113                  | 034        | 1,070        |

#### Generation Protector 2 (Current)

#### **Rider Premium Rates and Premium Factors**

Factors applied to base premium rates

|          |                  |                  |                  |                | 5%                |              |                      |              |                       | Full                  |                         |                    |                            |              |
|----------|------------------|------------------|------------------|----------------|-------------------|--------------|----------------------|--------------|-----------------------|-----------------------|-------------------------|--------------------|----------------------------|--------------|
|          | 5%               | 4%               | 3%               | 5%             | Compound          |              |                      |              | Return of             | Return of             |                         | 5                  | <b>.</b>                   |              |
| Age      | Compound<br>COLA | Compound<br>COLA | Compound<br>COLA | Simple<br>COLA | COLA<br>w/ 2x Cap | 10-pay       | Paid-up<br>at age 65 | SBP          | Premium<br>Upon Death | Premium<br>Upon Death | Spousal<br>Survivorship | Benefit<br>Period  | Restoration<br>of Benefits |              |
| 18-40    | 2.66             | 2.26             | 1.85             | 1.79           | 1.60              | 3.72         | 1.75                 | 1.20         | 1.30                  | 1.49                  | 1.12                    | 2 year             | 1.08                       |              |
| 41       | 2.66             | 2.26             | 1.85             | 1.79           | 1.60              | 3.72         | 1.75                 | 1.20         | 1.30                  | 1.49                  | 1.12                    | 3 year             | 1.05                       |              |
| 42       | 2.66             | 2.26             | 1.85             | 1.79           | 1.60              | 3.72         | 1.75                 | 1.20         | 1.30                  | 1.49                  | 1.12                    | 4 year             | 1.04                       |              |
| 43       | 2.65             | 2.25             | 1.85             | 1.79           | 1.60              | 3.63         | 1.78                 | 1.20         | 1.32                  | 1.51                  | 1.12                    | 5 year             | 1.04                       |              |
| 44       | 2.64             | 2.24             | 1.85             | 1.79           | 1.60              | 3.53         | 1.80                 | 1.20         | 1.34                  | 1.53                  | 1.12                    | 8 year             | 1.04                       |              |
| 45       | 2.63             | 2.24             | 1.85             | 1.80           | 1.60              | 3.44         | 1.83                 | 1.21         | 1.35                  | 1.56                  | 1.12                    | Lifetime           | N / A                      |              |
| 46       | 2.62             | 2.23             | 1.85             | 1.80           | 1.60              | 3.34         | 1.85                 | 1.21         | 1.37                  | 1.58                  | 1.12                    |                    |                            |              |
| 47       | 2.61             | 2.22             | 1.85             | 1.80           | 1.60              | 3.25         | 1.88                 | 1.21         | 1.39                  | 1.60                  | 1.12                    |                    | Spousal                    | Spousal      |
| 48       | 2.59             | 2.21             | 1.85             | 1.79           | 1.60              | 3.18         | 1.95                 | 1.21         | 1.41                  | 1.62                  | 1.12                    |                    | Shared Care                | Shared Care  |
| 49       | 2.57             | 2.20             | 1.85             | 1.79           | 1.60              | 3.10         | 2.03                 | 1.22         | 1.43                  | 1.65                  | 1.12                    | Benefit            | (with no                   | (with 1 yr   |
| 50       | 2.56             | 2.20             | 1.84             | 1.78           | 1.60              | 3.03         | 2.10                 | 1.22         | 1.45                  | 1.67                  | 1.12                    | Period             | residual)                  | residual)    |
| 51       | 2.54             | 2.19             | 1.84             | 1.78           | 1.60              | 2.95         | 2.18                 | 1.22         | 1.47                  | 1.70                  | 1.12                    | 2 year             | 1.21                       | 1.12         |
| 52       | 2.52             | 2.18             | 1.84             | 1.77           | 1.60              | 2.88         | 2.25                 | 1.22         | 1.49                  | 1.72                  | 1.12                    | 3 year             | 1.14                       | 1.11         |
| 53       | 2.46             | 2.14             | 1.81             | 1.76           | 1.60              | 2.81         | 2.39                 | 1.23         | 1.52                  | 1.76                  | 1.12                    | 4 year             | 1.09                       | 1.08         |
| 54       | 2.40             | 2.09             | 1.78             | 1.75           | 1.60              | 2.74         | 2.52                 | 1.23         | 1.56                  | 1.80                  | 1.12                    | 5 year             | 1.06                       | 1.05         |
| 55       | 2.33             | 2.05             | 1.76             | 1.74           | 1.60              | 2.66         |                      | 1.23         | 1.59                  | 1.84                  | 1.12                    | 8 year             | 1.02                       | 1.02         |
| 56<br>57 | 2.27             | 2.00             | 1.73             | 1.73           | 1.60              | 2.59         |                      | 1.23         | 1.62                  | 1.89                  | 1.11                    | Lifetime           | N / A                      | N / A        |
| 58       | 2.21<br>2.18     | 1.96<br>1.94     | 1.70<br>1.68     | 1.72<br>1.71   | 1.60<br>1.60      | 2.52<br>2.45 |                      | 1.24<br>1.24 | 1.66<br>1.69          | 1.93<br>1.97          | 1.11<br>1.11            | Destaration of Day | nefits and Shared Care     |              |
| 59       | 2.16             | 1.94             | 1.66             | 1.71           | 1.59              | 2.45         |                      | 1.24         | 1.73                  | 2.01                  | 1.11                    |                    | Lifetime benefit period    |              |
| 60       | 2.13             | 1.89             | 1.64             | 1.70           | 1.59              | 2.30         |                      | 1.24         | 1.76                  | 2.05                  | 1.11                    | not available with | Lifetime benefit period    | горион.      |
| 61       | 2.10             | 1.86             | 1.62             | 1.69           | 1.58              | 2.22         |                      | 1.25         | 1.79                  | 2.10                  | 1.11                    | HCC Monthly Ber    | nofit                      | 1.06         |
| 62       | 2.07             | 1.84             | 1.60             | 1.68           | 1.58              | 2.15         |                      | 1.25         | 1.83                  | 2.14                  | 1.11                    | Spousal Waiver     |                            | 1.03         |
| 63       | 2.03             | 1.81             | 1.58             | 1.66           | 1.57              | 2.08         |                      | 1.25         | 1.90                  | 2.23                  | 1.11                    | HCC Calendar Da    |                            | 1.02         |
| 64       | 1.99             | 1.78             | 1.56             | 1.64           | 1.56              | 2.02         |                      | 1.25         | 1.98                  | 2.33                  | 1.11                    | Waiver of HCC E    |                            | 1.12         |
| 65       | 1.94             | 1.74             | 1.54             | 1.63           | 1.56              | 1.95         |                      | 1.26         | 2.06                  | 2.43                  | 1.11                    | Walter of 1100 E   | •                          | 1.12         |
| 66       | 1.90             | 1.71             | 1.52             | 1.61           | 1.55              | 1.89         |                      | 1.26         | 2.14                  | 2.53                  | 1.10                    | Monthly Indemni    | tv Benefit                 |              |
| 67       | 1.86             | 1.68             | 1.50             | 1.59           | 1.54              | 1.82         |                      | 1.26         | 2.23                  | 2.64                  | 1.10                    | 10%                | .,                         | 1.04         |
| 68       | 1.82             | 1.65             | 1.48             | 1.57           | 1.53              | 1.76         |                      | 1.26         | 2.36                  | 2.81                  | 1.10                    | 25%                |                            | 1.10         |
| 69       | 1.78             | 1.62             | 1.46             | 1.55           | 1.52              | 1.71         |                      | 1.27         | 2.50                  | 3.00                  | 1.10                    | 50%                |                            | 1.23         |
| 70       | 1.74             | 1.59             | 1.44             | 1.54           | 1.51              | 1.65         |                      | 1.27         | 2.65                  | 3.19                  | 1.09                    | 100% (age < 60)    |                            | 2.57         |
| 71       | 1.70             | 1.56             | 1.42             | 1.52           | 1.50              | 1.60         |                      | 1.27         | 2.80                  | 3.40                  | 1.08                    | 100% (age 60+)     |                            | 2.23         |
| 72       | 1.66             | 1.53             | 1.40             | 1.50           | 1.49              | 1.54         |                      | 1.27         | 2.97                  | 3.62                  | 1.07                    |                    |                            |              |
| 73       | 1.63             | 1.51             | 1.39             | 1.48           | 1.48              | 1.48         |                      | 1.28         | 3.54                  | 4.54                  | 1.06                    | Elimination Perio  | od Factors                 |              |
| 74       | 1.60             | 1.49             | 1.37             | 1.47           | 1.47              | 1.42         |                      | 1.28         | 4.23                  | 5.71                  | 1.05                    | 7 Day              |                            | 1.30         |
| 75       | 1.57             | 1.46             | 1.36             | 1.45           | 1.45              | 1.37         |                      | 1.28         | 5.06                  | 7.21                  | 1.04                    | 30 Day             |                            | 1.18         |
| 76       | 1.54             | 1.44             | 1.34             | 1.44           | 1.44              | 1.31         |                      | 1.28         | 5.82                  | 9.15                  | 1.03                    | 60 Day             |                            | 1.08         |
| 77<br>78 | 1.51             | 1.42             | 1.33             | 1.42           | 1.43              | 1.25         |                      | 1.29         | 6.07                  | 11.66                 | 1.02                    | 90 Day             |                            | 1.00         |
| 78<br>79 | 1.49<br>1.46     | 1.40<br>1.38     | 1.32<br>1.30     | 1.41<br>1.40   | 1.42<br>1.41      | 1.22<br>1.19 |                      | 1.29<br>1.29 | 7.28<br>8.74          | 13.99<br>16.79        | 1.02<br>1.02            | 180 Day<br>365 Day |                            | 0.90<br>0.80 |
| 80       | 1.46             | 1.37             | 1.29             | 1.38           | 1.41              | 1.19         |                      | 1.29         | 10.48                 | 20.15                 | 1.02                    | 303 Day            |                            | 0.60         |
| 81       | 1.41             | 1.35             | 1.27             | 1.37           | 1.39              | 1.13         |                      | 1.30         | 10.48                 | 20.15                 | 1.02                    | Risk Class Facto   | re                         |              |
| 82       | 1.39             | 1.33             | 1.26             | 1.36           | 1.38              | 1.10         |                      | 1.30         | 10.48                 | 20.15                 | 1.02                    | Preferred Plus     | 13                         | 0.85         |
| 83       | 1.37             | 1.31             | 1.25             | 1.35           | 1.36              | 1.09         |                      | 1.30         | 10.48                 | 20.15                 | 1.02                    | Preferred          |                            | 1.00         |
| 84       | 1.35             | 1.30             | 1.24             | 1.34           | 1.34              | 1.08         |                      | 1.30         | 10.48                 | 20.15                 | 1.02                    | Standard           |                            | 1.20         |
| 85       | 1.34             | 1.29             | 1.23             | 1.32           | 1.33              |              |                      | 1.30         | 10.48                 | 20.15                 | 1.02                    | Select I           |                            | 1.50         |
| 88       | 1.29             | 1.25             | 1.20             | 1.28           | 1.29              |              |                      | 1.30         | 10.48                 | 20.15                 | 1.02                    | Select IV          |                            | 3.00         |
| 89       | 1.28             | 1.23             | 1.18             | 1.26           | 1.28              |              |                      | 1.30         | 10.48                 | 20.15                 | 1.02                    |                    |                            | 2.30         |
| 90       | 1.26             | 1.22             | 1.17             | 1.24           | 1.26              |              |                      | 1.30         | 10.48                 | 20.15                 | 1.02                    | Discount Factors   | 3                          |              |
| 91       | 1.25             | 1.20             | 1.16             | 1.23           | 1.25              |              |                      | 1.30         | 10.48                 | 20.15                 | 1.02                    | Married            |                            | 0.90         |
| 92+      | 1.23             | 1.19             | 1.15             | 1.21           | 1.23              |              |                      | 1.30         | 10.48                 | 20.15                 | 1.02                    | Spousal            |                            | 0.70         |
| ·        |                  |                  |                  |                |                   |              |                      |              |                       |                       |                         | Facility Care Only | Endorsement                | 0.90         |
|          |                  |                  |                  |                |                   |              |                      |              |                       |                       |                         |                    |                            |              |

#### **Generation Protector 2 (Current)**

Coverage Enhancement Rider
Daily Benefit Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

Facility Care Benefit and 130% Home and Community Care Benefit

| Age      | 2 year   | 3 year     | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   |
|----------|----------|------------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|
| 18-40    | 44       | 49         | 54       | 57       | 64       | 78         | 45       | 50       | 56       | 61       | 67       | 82         | 50       | 56       | 61       | 67       | 73       | 90         |
| 41       | 44       | 49         | 54       | 57       | 64       | 78         | 45       | 50       | 56       | 61       | 68       | 82         | 50       | 56       | 61       | 67       | 75       | 90         |
| 42       | 44       | 49         | 56       | 59       | 66       | 79         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 57       | 62       | 67       | 74       | 91         |
| 43       | 44       | 50         | 56       | 59       | 66       | 80         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 57       | 63       | 67       | 75       | 91         |
| 44       | 45       | 50         | 56       | 59       | 66       | 80         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 58       | 63       | 67       | 75       | 91         |
| 45       | 45       | 51         | 56       | 59       | 66       | 80         | 47       | 51       | 57       | 61       | 68       | 84         | 51       | 58       | 63       | 67       | 75       | 92         |
| 46       | 45       | 51         | 56       | 60       | 66       | 81         | 47       | 51       | 57       | 61       | 68       | 84         | 52       | 58       | 63       | 67       | 75       | 92         |
| 47       | 46       | 52         | 56       | 60       | 67       | 81         | 47       | 52       | 57       | 61       | 68       | 84         | 52       | 58       | 63       | 67       | 76       | 92         |
| 48       | 47       | 53         | 57       | 61       | 67       | 83         | 48       | 53       | 58       | 62       | 69       | 86         | 53       | 59       | 64       | 68       | 77       | 94         |
| 49       | 48       | 54         | 58       | 62       | 68       | 86         | 49       | 54       | 59       | 63       | 70       | 88         | 53       | 59       | 65       | 69       | 78       | 96         |
| 50       | 49       | 55         | 59       | 63       | 69       | 88         | 50       | 55       | 60       | 64       | 71       | 90         | 54       | 60       | 66       | 70       | 79       | 99         |
| 51       | 50       | 55         | 61       | 64       | 70       | 90         | 51       | 56       | 61       | 65       | 72       | 92         | 55       | 61       | 67       | 70       | 80       | 101        |
| 52       | 50       | 56         | 62       | 65       | 71       | 92         | 51       | 57       | 61       | 66       | 73       | 94         | 56       | 61       | 68       | 71       | 81       | 103        |
| 53       | 51       | 57         | 63       | 66       | 73       | 95         | 52       | 58       | 63       | 67       | 75       | 97         | 56       | 62       | 69       | 73       | 83       | 106        |
| 54       | 52       | 58         | 64       | 68       | 75<br>77 | 97         | 53       | 59       | 64       | 69       | 77<br>70 | 100        | 57       | 63       | 70       | 75<br>76 | 85       | 108        |
| 55       | 52       | 59<br>50   | 65<br>66 | 69       | 77<br>70 | 100        | 53       | 59       | 66       | 71<br>72 | 79       | 102        | 58<br>50 | 65<br>66 | 72<br>73 | 76       | 86       | 111        |
| 56       | 53       | 59         | 66       | 71       | 79       | 103        | 54       | 60       | 67       |          | 81       | 105        | 59       | 66       | 73<br>75 | 78       | 88       | 113        |
| 57<br>58 | 54<br>57 | 60<br>63   | 67<br>70 | 72<br>76 | 81<br>85 | 105<br>111 | 55<br>57 | 61<br>64 | 69<br>72 | 74<br>78 | 82<br>87 | 107<br>114 | 59<br>62 | 67<br>70 | 75<br>78 | 80<br>84 | 90<br>95 | 116<br>123 |
| 59       | 59       | 66         | 70<br>74 | 80       | 89       | 117        | 60       | 67       | 72<br>76 | 82       | 91       | 120        | 66       | 73       | 82       | 88       | 100      | 130        |
| 60       | 62       | 69         | 74<br>78 | 84       | 94       | 122        | 63       | 70       | 76<br>79 | 86       | 96       | 126        | 69       | 76       | 86       | 93       | 105      | 136        |
| 61       | 65       | 71         | 81       | 88       | 98       | 128        | 66       | 73       | 83       | 90       | 100      | 132        | 72       | 70<br>79 | 90       | 97       | 109      | 143        |
| 62       | 68       | 74         | 85       | 92       | 102      | 133        | 68       | 76       | 86       | 94       | 105      | 139        | 75       | 82       | 93       | 101      | 114      | 150        |
| 63       | 74       | 81         | 93       | 101      | 113      | 147        | 75       | 83       | 95       | 104      | 116      | 152        | 82       | 90       | 103      | 112      | 126      | 165        |
| 64       | 80       | 88         | 102      | 110      | 123      | 161        | 81       | 90       | 103      | 113      | 126      | 166        | 88       | 98       | 113      | 122      | 137      | 181        |
| 65       | 86       | 95         | 110      | 119      | 133      | 175        | 87       | 97       | 112      | 122      | 137      | 180        | 95       | 105      | 122      | 133      | 149      | 196        |
| 66       | 93       | 102        | 119      | 129      | 143      | 188        | 94       | 104      | 121      | 132      | 147      | 194        | 102      | 113      | 132      | 143      | 160      | 211        |
| 67       | 99       | 109        | 127      | 138      | 153      | 202        | 100      | 111      | 129      | 141      | 158      | 208        | 109      | 121      | 141      | 153      | 172      | 227        |
| 68       | 112      | 123        | 143      | 157      | 175      | 226        | 113      | 126      | 146      | 161      | 180      | 234        | 123      | 137      | 160      | 175      | 196      | 255        |
| 69       | 125      | 137        | 160      | 177      | 196      | 251        | 127      | 140      | 163      | 182      | 202      | 259        | 138      | 153      | 178      | 197      | 221      | 283        |
| 70       | 138      | 152        | 176      | 196      | 217      | 275        | 140      | 155      | 180      | 202      | 225      | 285        | 152      | 169      | 197      | 219      | 245      | 311        |
| 71       | 151      | 166        | 192      | 215      | 239      | 299        | 153      | 170      | 197      | 222      | 247      | 311        | 167      | 185      | 215      | 241      | 270      | 339        |
| 72       | 164      | 180        | 208      | 235      | 260      | 323        | 167      | 185      | 214      | 242      | 269      | 337        | 181      | 201      | 233      | 263      | 294      | 367        |
| 73       | 185      | 204        | 236      | 268      | 296      | 367        | 189      | 209      | 242      | 276      | 307      | 382        | 205      | 228      | 264      | 300      | 335      | 417        |
| 74       | 206      | 228        | 263      | 301      | 333      | 410        | 211      | 234      | 271      | 310      | 345      | 427        | 229      | 255      | 295      | 338      | 377      | 466        |
| 75       | 228      | 252        | 290      | 334      | 370      | 453        | 233      | 258      | 299      | 344      | 384      | 472        | 253      | 281      | 326      | 375      | 418      | 515        |
| 76       | 249      | 276        | 317      | 367      | 406      | 497        | 254      | 283      | 328      | 379      | 422      | 517        | 277      | 308      | 357      | 412      | 459      | 564        |
| 77       | 271      | 299        | 345      | 399      | 443      | 540        | 276      | 307      | 356      | 413      | 460      | 563        | 301      | 335      | 388      | 449      | 500      | 613        |
| 78       | 303      | 335        | 385      | 437      | 489      | 592        | 309      | 344      | 397      | 451      | 508      | 617        | 336      | 375      | 433      | 491      | 553      | 673        |
| 79       | 335      | 370        | 425      | 475      | 536      | 645        | 342      | 380      | 439      | 490      | 555      | 672        | 372      | 414      | 478      | 533      | 605      | 732        |
| 80       | 367      | 406        | 466      | 512      | 582      | 697        | 375      | 416      | 480      | 528      | 603      | 727        | 408      | 454      | 523      | 575      | 657      | 792        |
| 81       | 399      | 442        | 506      | 550      | 629      | 750        | 407      | 453      | 521      | 567      | 651      | 781        | 443      | 494      | 568      | 618      | 710      | 851        |
| 82       | 431      | 477        | 546      | 587      | 675      | 802        | 440      | 489      | 563      | 605      | 699      | 836        | 479      | 533      | 614      | 660      | 762      | 911        |
| 83       | 475      | 526        | 604      | 652      | 749      | 890        | 485      | 539      | 622      | 672      | 776      | 928        | 517      | 588      | 679      | 732      | 846      | 1,012      |
| 86       | 579      | 650        | 759      | 834      | 964      | 1209       | 592      | 667      | 783      | 862      | 1002     | 1267       | 643      | 737      | 864      | 950      | 1109     | 1400       |
| 87       | 607      | 685        | 804      | 889      | 1031     | 1321       | 621      | 704      | 830      | 921      | 1073     | 1385       | 680      | 782      | 921      | 1020     | 1194     | 1538       |
| 88       | 635      | 721        | 850      | 945      | 1098     | 1433       | 650      | 740      | 877      | 979      | 1144     | 1503       | 716      | 827      | 978      | 1089     | 1279     | 1676       |
| 89       | 662      | 756<br>701 | 895      | 1001     | 1165     | 1544       | 679      | 777      | 924      | 1038     | 1214     | 1621       | 753      | 871      | 1035     | 1159     | 1364     | 1815       |
| 90       | 690      | 791        | 941      | 1057     | 1232     | 1656       | 708      | 813      | 971      | 1097     | 1285     | 1739       | 790      | 916      | 1092     | 1228     | 1449     | 1953       |
| 91       | 718      | 827        | 986      | 1112     | 1299     | 1768       | 737      | 850      | 1018     | 1156     | 1356     | 1858       | 827      | 961      | 1149     | 1298     | 1534     | 2091       |
| 92+      | 745      | 862        | 1032     | 1168     | 1366     | 1879       | 766      | 886      | 1065     | 1214     | 1427     | 1976       | 863      | 1006     | 1206     | 1367     | 1619     | 2230       |

#### **Generation Protector 2 (Current)**

Coverage Enhancement Rider Benefit Period Premium Rates Preferred Rate Class, 90 Day Elimination Period Rates are per \$10 Facility Care Daily Benefit

|                     | F<br>70% Hor     | efit             |                  | acility Care B<br>ne and Comn |                  | Benefit          |                  | acility Care E<br>ne and Comr |                  | Benefit          |                  |                  |
|---------------------|------------------|------------------|------------------|-------------------------------|------------------|------------------|------------------|-------------------------------|------------------|------------------|------------------|------------------|
| From:<br>To:<br>Age | 2 year<br>3 year | 3 year<br>4 year | 4 year<br>5 year | 5 year<br>8 year              | 2 year<br>3 year | 3 year<br>4 year | 4 year<br>5 year | 5 year<br>8 year              | 2 year<br>3 year | 3 year<br>4 year | 4 year<br>5 year | 5 year<br>8 year |
| 18-40               | 17               | 18               | 18               | 22                            | 17               | 19               | 20               | 22                            | 19               | 20               | 22               | 25               |
| 41                  | 17               | 18               | 18               | 22                            | 17               | 19               | 20               | 23                            | 19               | 20               | 22               | 25               |
| 42                  | 17               | 18               | 18               | 22                            | 17               | 19               | 19               | 23                            | 19               | 20               | 22               | 25               |
| 43                  | 16               | 18               | 18               | 22                            | 17               | 19               | 18               | 22                            | 19               | 20               | 21               | 24               |
| 44                  | 16               | 18               | 17               | 21                            | 16               | 18               | 18               | 21                            | 19               | 19               | 20               | 24               |
| 45                  | 16               | 17               | 16               | 20                            | 15               | 18               | 17               | 21                            | 18               | 18               | 19               | 23               |
| 46                  | 16               | 16               | 16               | 20                            | 15               | 17               | 17               | 20                            | 17               | 18               | 18               | 23               |
| 47                  | 16               | 15               | 15               | 19                            | 15               | 16               | 16               | 19                            | 17               | 17               | 17               | 23               |
| 48                  | 16               | 15               | 15               | 19                            | 15               | 16               | 16               | 20                            | 17               | 18               | 17               | 23               |
| 49                  | 16               | 16               | 16               | 19                            | 15               | 16               | 16               | 20                            | 17               | 18               | 17               | 23               |
| 50                  | 16               | 16               | 16               | 19                            | 15               | 16               | 17               | 20                            | 17               | 18               | 17               | 23               |
| 51                  | 16               | 17               | 16               | 19                            | 15               | 16               | 17               | 21                            | 17               | 19               | 17               | 23               |
| 52                  | 16               | 17               | 16               | 19                            | 15               | 16               | 17               | 21                            | 17               | 19               | 17               | 23               |
| 53                  | 16               | 17               | 16               | 19                            | 15               | 16               | 16               | 21                            | 17               | 19               | 17               | 23               |
| 54                  | 15               | 16               | 15               | 19                            | 15               | 16               | 16               | 20                            | 17               | 18               | 17               | 23               |
| 55                  | 15               | 16               | 15               | 19                            | 15               | 16               | 16               | 20                            | 16               | 18               | 16               | 23               |
| 56                  | 14               | 15               | 15               | 19                            | 14               | 16               | 15               | 19                            | 16               | 17               | 16               | 22               |
| 57                  | 14               | 15               | 14               | 19                            | 14               | 16               | 15               | 19                            | 16               | 17               | 15               | 21               |
| 58                  | 13               | 15               | 14               | 18                            | 13               | 16               | 14               | 18                            | 15               | 17               | 15               | 21               |
| 59                  | 12               | 15               | 13               | 17                            | 13               | 16               | 14               | 18                            | 14               | 17               | 15               | 20               |
| 60                  | 12               | 15               | 13               | 17                            | 12               | 15               | 14               | 17                            | 13               | 16               | 14               | 20               |
| 61                  | 11               | 15               | 12               | 16                            | 12               | 15               | 13               | 17                            | 13               | 16               | 14               | 19               |
| 62                  | 11               | 15               | 13               | 16<br>17                      | 12<br>12         | 15               | 13               | 17<br>17                      | 12               | 16               | 14               | 19               |
| 63<br>64            | 11<br>12         | 16<br>18         | 13<br>14         | 18                            | 13               | 16<br>18         | 14<br>15         | 17                            | 13<br>14         | 18<br>20         | 14<br>15         | 20<br>21         |
| 65                  | 13               | 20               | 15               | 20                            | 14               | 20               | 16               | 20                            | 15               | 20               | 16               | 23               |
| 66                  | 14               | 22               | 16               | 21                            | 15               | 20               | 17               | 22                            | 16               | 24               | 18               | 23               |
| 67                  | 15               | 24               | 17               | 22                            | 16               | 24               | 18               | 23                            | 17               | 27               | 19               | 26               |
| 68                  | 17               | 26               | 21               | 25                            | 18               | 27               | 22               | 26                            | 19               | 30               | 23               | 29               |
| 69                  | 18               | 29               | 25               | 28                            | 20               | 30               | 26               | 30                            | 22               | 33               | 28               | 33               |
| 70                  | 20               | 32               | 29               | 31                            | 22               | 32               | 30               | 33                            | 24               | 36               | 32               | 36               |
| 71                  | 22               | 34               | 33               | 33                            | 24               | 35               | 34               | 36                            | 26               | 39               | 37               | 40               |
| 72                  | 24               | 37               | 37               | 36                            | 26               | 38               | 38               | 39                            | 29               | 42               | 41               | 43               |
| 73                  | 28               | 41               | 43               | 41                            | 29               | 43               | 45               | 44                            | 33               | 47               | 49               | 49               |
| 74                  | 31               | 46               | 50               | 47                            | 33               | 48               | 52               | 50                            | 37               | 53               | 56               | 55               |
| 75                  | 35               | 50               | 57               | 52                            | 37               | 53               | 59               | 56                            | 41               | 58               | 64               | 61               |
| 76                  | 38               | 55               | 64               | 57                            | 40               | 58               | 66               | 61                            | 45               | 64               | 72               | 67               |
| 77                  | 42               | 60               | 71               | 62                            | 44               | 63               | 74               | 67                            | 49               | 69               | 79               | 73               |
| 78                  | 47               | 66               | 70               | 73                            | 49               | 70               | 73               | 78                            | 54               | 76               | 79               | 85               |
| 79                  | 51               | 73               | 69               | 84                            | 54               | 77               | 72               | 89                            | 60               | 84               | 78               | 97               |
| 80                  | 56               | 79               | 69               | 95                            | 59               | 84               | 71               | 100                           | 66               | 91               | 77               | 109              |
| 81                  | 61               | 86               | 68               | 105                           | 65               | 90               | 70               | 112                           | 71               | 98               | 76               | 121              |
| 84                  | 80               | 116              | 86               | 143                           | 85               | 123              | 89               | 152                           | 105              | 134              | 97               | 166              |
| 85                  | 89               | 128              | 98               | 157                           | 94               | 135              | 103              | 167                           | 115              | 148              | 112              | 185              |
| 86<br>87            | 98<br>107        | 140<br>152       | 111<br>123       | 170                           | 103<br>112       | 147<br>159       | 117<br>130       | 182<br>196                    | 125<br>134       | 162<br>177       | 127<br>142       | 204<br>223       |
| 88                  | 107<br>116       | 164              | 136              | 184<br>198                    | 121              | 172              | 144              | 211                           | 134              | 177              | 158              | 223<br>242       |
| 89                  | 125              | 175              | 148              | 212                           | 130              | 184              | 158              | 226                           | 154              | 205              | 173              | 261              |
| 90                  | 134              | 187              | 160              | 226                           | 139              | 196              | 172              | 240                           | 164              | 203              | 188              | 280              |
| 91                  | 143              | 199              | 173              | 240                           | 148              | 208              | 186              | 255                           | 174              | 234              | 203              | 298              |
| 92+                 | 152              | 211              | 185              | 253                           | 157              | 221              | 200              | 270                           | 183              | 249              | 218              | 317              |
|                     |                  |                  |                  |                               |                  |                  |                  |                               |                  |                  |                  |                  |

#### Generation Protector 2 (Current)

#### Coverage Enhancement Rider Elimination Period Factors Preferred Rate Class

| From:    | 30 days      | 60 days      | 90 days      | 180 days     | 365 days     |
|----------|--------------|--------------|--------------|--------------|--------------|
| To:      | 7 days       | 30 days      | 60 days      | 90 days      | 180 days     |
| Age      | ,-           |              |              |              |              |
| 18-40    | 1.50         | 1.49         | 1.47         | 1.51         | 1.53         |
| 41       | 1.50         | 1.49         | 1.47         | 1.51         | 1.53         |
| 42       | 1.50         | 1.49         | 1.47         | 1.51         | 1.53         |
| 43       | 1.48         | 1.46         | 1.45         | 1.49         | 1.51         |
| 44       | 1.45         | 1.44         | 1.43         | 1.47         | 1.49         |
| 45       | 1.43         | 1.42         | 1.40         | 1.44         | 1.46         |
| 46       | 1.41         | 1.40         | 1.38         | 1.42         | 1.44         |
| 47       | 1.39         | 1.38         | 1.36         | 1.40         | 1.42         |
| 48       | 1.39         | 1.38         | 1.36         | 1.40         | 1.42         |
| 49<br>50 | 1.39<br>1.39 | 1.38<br>1.38 | 1.36<br>1.36 | 1.40<br>1.40 | 1.42<br>1.42 |
| 50<br>51 | 1.39         | 1.38         | 1.36         | 1.40         | 1.42         |
| 52       | 1.39         | 1.38         | 1.36         | 1.40         | 1.42         |
| 53       | 1.37         | 1.35         | 1.34         | 1.38         | 1.42         |
| 54       | 1.34         | 1.33         | 1.32         | 1.36         | 1.37         |
| 55       | 1.32         | 1.31         | 1.30         | 1.33         | 1.35         |
| 56       | 1.30         | 1.29         | 1.27         | 1.31         | 1.33         |
| 57       | 1.28         | 1.27         | 1.25         | 1.29         | 1.31         |
| 58       | 1.26         | 1.25         | 1.23         | 1.27         | 1.28         |
| 59       | 1.23         | 1.22         | 1.21         | 1.24         | 1.26         |
| 60       | 1.21         | 1.20         | 1.19         | 1.22         | 1.24         |
| 61       | 1.19         | 1.18         | 1.17         | 1.20         | 1.22         |
| 62       | 1.17         | 1.16         | 1.14         | 1.18         | 1.19         |
| 63       | 1.17         | 1.16         | 1.14         | 1.18         | 1.19         |
| 64       | 1.16         | 1.15         | 1.14         | 1.17         | 1.19         |
| 65       | 1.16         | 1.15         | 1.14         | 1.17         | 1.19         |
| 66       | 1.16         | 1.15         | 1.14         | 1.17         | 1.18         |
| 67       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 68       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 69<br>70 | 1.16         | 1.15         | 1.13         | 1.17<br>1.17 | 1.18         |
| 70<br>71 | 1.16<br>1.16 | 1.15<br>1.15 | 1.13<br>1.13 | 1.17         | 1.18<br>1.18 |
| 71       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 73       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 74       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 75       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 76       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 77       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 78       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 79       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 80       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 81       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 82       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 83       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 86       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 87       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 88       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 89       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 90<br>91 | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 91       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 92+      | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |

SERFF Tracking #: ALLB-130164458 State Tracking #: ALLB-130164458 Company Tracking #: LTC RATE FILING 2015 GP2

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

Virginia

Project Name/Number: LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

# **Superseded Schedule Items**

State:

Please note that all items on the following pages are items, which have been replaced by a newer version. The newest version is located with the appropriate schedule on previous pages. These items are in date order with most recent first.

Filing Company:

Allianz Life Insurance Company of North America

|               | Schedule Item           |                        |   | Replacement   |  |
|---------------|-------------------------|------------------------|---|---------------|--|
| Creation Date | Status                  | Schedule               | Schedule Item Name                                | Creation Date | Attached Document(s)   |
| 05/31/2016    | Withdrawn<br>06/08/2016 | Rate                   | Rate Tables                                       | 06/08/2016    | VA GP2 Rates PROPOSED.pdf (Superceded)   |
| 05/18/2016    | Withdrawn<br>06/08/2016 | Form                   | Policyholder Rate Increase Notification Letter    | 05/31/2016    | S2280-VA GP2 Policyholder<br>Notification Letter.pdf (Superceded)  |
| 05/18/2016    | Withdrawn 06/08/2016    | Supporting<br>Document | Statement of Variability                          | 05/31/2016    | SOV for S2280-VA GP2<br>Policyholder Notification Letter.pdf<br>(Superceded)                               |
| 04/28/2016    | Withdrawn<br>05/27/2016 | Form                   | Policyholder Rate Increase Notification Letter    | 05/18/2016    | S2280-VA GP2 Policyholder<br>Notification Letter.pdf (Superceded)  |
| 04/28/2016    | Withdrawn<br>05/27/2016 | Supporting<br>Document | L&H Readability - Health                          | 05/18/2016    | S2280-VA GP2 Policyholder<br>Notification Letter_Readability<br>Certification - Signed.pdf<br>(Superceded) |
| 04/28/2016    | Withdrawn<br>05/27/2016 | Supporting<br>Document | Statement of Variability                          | 05/18/2016    | SOV for S2280-VA GP2<br>Policyholder Notification Letter.pdf<br>(Superceded)                               |
| 04/06/2016    | Withdrawn<br>05/27/2016 | Form                   | Policyholder Rate Increase Notification<br>Letter | 04/28/2016    | S2280-VA GP2 Policyholder<br>Notification Letter.pdf (Superceded)  |
| 04/06/2016    | Withdrawn<br>06/08/2016 | Supporting Document    | L&H Actuarial Memorandum                          | 05/31/2016    | VA GP2 Act Memo.pdf<br>(Superceded)  |
| 04/06/2016    | Withdrawn<br>05/27/2016 | Supporting<br>Document | L&H Readability - Health                          | 04/28/2016    | S2280-VA GP2 Policyholder<br>Notification Letter_Readability<br>Certification - Signed.pdf<br>(Superceded) |
| 04/06/2016    | Withdrawn<br>05/27/2016 | Supporting<br>Document | Statement of Variability                          | 04/28/2016    | S2280-VA GP2 Policyholder<br>Notification Letter_Statement of<br>Variability.pdf (Superceded)              |

SERFF Tracking #: ALLB-130164458 State Tracking #: ALLB-130164458 Company Tracking #: LTC RATE FILING 2015 GP2

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

**Project Name/Number:** LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

|               | Schedule Item           |                        |   | Replacement          |  |
|---------------|-------------------------|------------------------|---|----------------------|--|
| Creation Date | Status                  | Schedule               | Schedule Item Name  | <b>Creation Date</b> | Attached Document(s)   |
| 04/04/2016    | Withdrawn<br>05/27/2016 | Supporting<br>Document | Documents Provided Alongside the Policyholder Notification Letter | 05/18/2016           | CS95369 Premium Increase<br>Contingent Benefit Upon Lapse<br>Rider Schedule Page.pdf<br>Policy Endorsement 95440.pdf<br>R95369-VA Premium Increase<br>Contingent Benefit Upon Lapse<br>Rider.pdf<br>S2281-Coverage Change Request<br>Form.pdf (Superceded) |
| 10/16/2015    | Withdrawn<br>05/27/2016 | Supporting Document    | Draft policyholder letter   | 04/04/2016           | Draft Policyholder Letter, Gen Pro<br>and Gen Pro II.pdf (Superceded)<br>Draft Policyholder Letter, Gen Pro II<br>PARTNERSHIP.pdf (Superceded)   |
| 10/16/2015    | Withdrawn<br>06/08/2016 | Rate                   | 5% LIFETIME COMPOUND BENEFIT INCREASE RIDER                       | 05/31/2016           | VA GP2 Rates CURRENT.pdf<br>(Superceded)<br>VA GP2 Rates PROPOSED.pdf  |
| 10/16/2015    | Withdrawn<br>06/08/2016 | Rate                   | 4% LIFETIME COMPOUND BENEFIT INCREASE RIDER                       | 05/31/2016           | VA GP2 Rates CURRENT.pdf<br>(Superceded)<br>VA GP2 Rates PROPOSED.pdf<br>(Superceded)  |
| 10/16/2015    | Withdrawn<br>06/08/2016 | Rate                   | 3% LIFETIME COMPOUND BENEFIT INCREASE RIDER                       | 05/31/2016           | VA GP2 Rates CURRENT.pdf<br>(Superceded)<br>VA GP2 Rates PROPOSED.pdf<br>(Superceded)  |
| 10/16/2015    | Withdrawn<br>06/08/2016 | Rate                   | TWO TIMES COMPOUND BENEFIT INCREASE RIDER                         | 05/31/2016           | VA GP2 Rates CURRENT.pdf<br>(Superceded)<br>VA GP2 Rates PROPOSED.pdf<br>(Superceded)  |
| 10/16/2015    | Withdrawn<br>06/08/2016 | Rate                   | SIMPLE BENEFIT INCREASE RIDER                                     | 05/31/2016           | VA GP2 Rates CURRENT.pdf<br>(Superceded)<br>VA GP2 Rates PROPOSED.pdf<br>(Superceded)  |
| 07/14/2015    | Withdrawn<br>05/27/2016 | Supporting Document    | Certification of Compliance                                       | 04/06/2016           | Virginia Certification of Compliance.pdf (Superceded)  |
| 07/14/2015    | Withdrawn<br>05/27/2016 | Supporting Document    | L&H Actuarial Memorandum  | 04/06/2016           | VA GP2 Act Memo.pdf (Superceded)   |
| 07/14/2015    | Withdrawn<br>05/27/2016 | Supporting Document    | L&H Readability - Health  | 04/06/2016           |  |

SERFF Tracking #: ALLB-130164458 State Tracking #: ALLB-130164458 Company Tracking #: LTC RATE FILING 2015 GP2

State: Virginia Filing Company: Allianz Life Insurance Company of North America

TOI/Sub-TOI: LTC03I Individual Long Term Care/LTC03I.001 Qualified

**Product Name:** LTC RATE FILING 2015 GP2

**Project Name/Number:** LTC RATE FILING 2015 GP2/LTC RATE FILING 2015 GP2

| Creation Date | Schedule Item Status    | Schedule               | Schedule Item Name                            | Replacement Creation Date | Attached Document(s)  |
|---------------|-------------------------|------------------------|---|---------------------------|---|
| 07/14/2015    | Withdrawn<br>06/08/2016 | Supporting<br>Document | Long Term Care Insurance Rate Request Summary |                           | Health Insurance Rate Request<br>Summary Part I GP2.pdf<br>(Superceded) |

Base Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit
Daily Benefit range from \$50 - \$99

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

Facility Care Benefit and 130% Home and Community Care Benefit

| Age      | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   |
|----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| 18-40    | 40         | 43         | 47         | 50         | 55         | 64         | 41         | 45         | 49         | 51         | 57         | 67         | 46         | 51         | 53         | 57         | 62         | 74         |
| 41       | 40         | 43         | 47         | 50         | 55         | 64         | 41         | 45         | 49         | 52         | 58         | 67         | 46         | 51         | 53         | 57         | 63         | 74         |
| 42       | 40         | 43         | 48         | 51         | 56         | 65         | 41         | 45         | 50         | 52         | 58         | 68         | 46         | 51         | 54         | 58         | 63         | 75         |
| 43       | 41         | 45         | 49         | 52         | 57         | 67         | 42         | 46         | 51         | 53         | 59         | 69         | 47         | 52         | 55         | 59         | 65         | 76         |
| 44       | 42         | 46         | 50         | 53         | 58         | 68         | 43         | 47         | 52         | 54         | 60         | 71         | 48         | 53         | 56         | 60         | 66         | 78         |
| 45       | 43         | 48         | 51         | 54         | 59         | 69         | 44         | 48         | 53         | 55         | 61         | 72         | 49         | 54         | 57         | 61         | 67         | 79         |
| 46       | 44         | 49         | 52         | 55         | 60         | 71         | 45         | 49         | 54         | 56         | 62         | 74         | 50         | 55         | 59         | 62         | 68         | 80         |
| 47       | 45         | 51         | 53         | 56         | 61         | 72         | 47         | 50         | 55         | 57         | 63         | 75         | 51         | 57         | 60         | 63         | 70         | 82         |
| 48       | 46         | 51         | 54         | 57         | 62         | 74         | 47         | 51         | 56         | 58         | 63         | 77         | 52         | 57         | 61         | 64         | 70         | 84         |
| 49       | 46         | 52         | 55         | 58         | 63         | 76         | 48         | 52         | 56         | 59         | 64         | 78         | 52         | 57         | 61         | 64         | 71         | 85         |
| 50       | 47         | 52         | 55         | 58         | 63         | 78         | 48         | 53         | 57         | 60         | 65         | 80         | 53         | 58         | 62         | 65         | 72         | 87         |
| 51       | 48         | 53         | 56         | 59         | 64         | 79         | 49         | 54         | 57         | 60         | 66         | 82         | 54         | 58         | 63         | 65         | 73         | 89         |
| 52       | 49         | 54         | 57         | 60         | 65         | 81         | 50         | 54         | 58         | 61         | 67         | 83         | 55         | 58         | 64         | 66         | 74         | 91         |
| 53       | 50         | 55         | 60         | 63         | 68         | 85         | 51         | 56         | 61         | 64         | 70         | 87         | 57         | 61         | 66         | 69         | 77         | 95         |
| 54       | 52         | 57         | 62         | 66         | 72         | 89         | 53         | 58         | 63         | 67         | 74         | 91         | 58         | 63         | 69         | 72         | 81         | 99         |
| 55       | 54         | 59         | 64         | 68         | 75         | 94         | 55         | 60         | 66         | 70         | 77         | 95         | 60         | 65         | 72         | 75         | 85         | 104        |
| 56       | 56         | 61         | 67         | 71         | 79         | 98         | 57         | 62         | 68         | 73         | 80         | 100        | 62         | 67         | 74         | 79         | 88         | 108        |
| 57       | 58         | 63         | 69         | 74         | 82         | 102        | 58         | 63         | 71         | 76         | 84         | 104        | 64         | 70         | 77         | 82         | 92         | 112        |
| 58       | 62         | 67         | 75         | 80         | 89         | 110        | 63         | 68         | 77         | 82         | 91         | 113        | 69         | 75         | 84         | 89         | 99         | 122        |
| 59       | 67         | 72<br>70   | 81         | 86         | 96         | 119        | 67         | 73         | 83         | 89         | 98         | 122        | 74         | 80         | 90         | 95         | 107        | 132        |
| 60       | 71         | 76         | 87         | 92         | 102        | 128        | 72         | 78         | 88         | 95         | 105        | 132        | 79         | 85         | 97         | 102        | 114        | 143        |
| 61       | 76         | 81         | 92         | 98         | 109        | 136        | 76         | 83         | 94         | 101        | 112        | 141        | 84         | 90         | 103        | 109        | 122        | 153        |
| 62       | 80         | 86         | 98         | 105        | 116        | 145        | 81         | 87         | 100        | 108        | 119        | 150        | 89         | 95         | 109        | 116        | 129        | 163        |
| 63       | 88         | 94         | 108        | 116        | 128        | 160        | 89         | 96         | 110<br>119 | 119<br>131 | 132        | 166        | 97         | 104        | 120        | 129        | 143<br>157 | 180        |
| 64       | 95         | 103        | 117        | 127        | 140        | 175        | 96         | 105        |            |            | 145        | 181        | 105        | 114        | 130        | 141        |            | 197        |
| 65       | 103        | 111        | 126        | 139        | 152        | 191        | 104        | 113        | 129        | 142        | 159        | 197        | 114        | 123        | 141        | 154        | 170        | 214        |
| 66       | 111        | 120        | 136        | 150        | 165        | 206        | 112        | 122        | 138        | 154        | 172<br>185 | 212<br>228 | 122        | 133        | 151        | 167        | 184        | 231<br>248 |
| 67       | 118        | 128        | 145        | 161        | 177        | 221        | 120        | 131        | 148        | 165        |            | 257        | 130        | 142        | 162        | 180        | 198        |            |
| 68<br>69 | 135<br>151 | 145<br>163 | 164<br>182 | 184<br>207 | 202<br>227 | 249<br>277 | 137<br>153 | 149<br>166 | 168<br>187 | 189<br>213 | 211<br>236 | 287        | 148<br>167 | 162<br>181 | 183<br>204 | 205<br>231 | 227<br>255 | 281<br>313 |
| 70       | 167        | 180        | 201        | 230        | 252        | 305        | 170        | 184        | 207        | 236        | 262        | 316        | 185        | 201        | 204        | 257        | 284        | 345        |
| 71       | 183        | 197        | 219        | 252        | 277        | 333        | 186        | 202        | 227        | 260        | 287        | 346        | 203        | 220        | 246        | 283        | 313        | 377        |
| 72       | 199        | 214        | 238        | 275        | 302        | 360        | 203        | 220        | 247        | 284        | 313        | 375        | 203        | 239        | 267        | 309        | 342        | 409        |
| 73       | 226        | 243        | 271        | 314        | 344        | 409        | 230        | 250        | 280        | 324        | 357        | 426        | 251        | 272        | 302        | 352        | 390        | 464        |
| 74       | 253        | 272        | 303        | 352        | 387        | 457        | 258        | 279        | 314        | 363        | 401        | 476        | 281        | 304        | 337        | 395        | 438        | 519        |
| 75       | 280        | 301        | 336        | 391        | 430        | 505        | 286        | 309        | 347        | 403        | 446        | 526        | 312        | 337        | 373        | 439        | 486        | 574        |
| 76       | 307        | 330        | 369        | 429        | 472        | 553        | 313        | 339        | 381        | 443        | 490        | 577        | 342        | 369        | 408        | 482        | 533        | 628        |
| 77       | 334        | 359        | 401        | 468        | 515        | 602        | 341        | 369        | 414        | 483        | 534        | 627        | 372        | 402        | 443        | 526        | 581        | 683        |
| 78       | 376        | 403        | 446        | 511        | 564        | 660        | 384        | 413        | 460        | 527        | 585        | 688        | 419        | 450        | 495        | 574        | 642        | 749        |
| 79       | 419        | 446        | 491        | 554        | 614        | 718        | 427        | 458        | 506        | 571        | 636        | 749        | 466        | 499        | 546        | 622        | 703        | 816        |
| 80       | 461        | 490        | 535        | 597        | 663        | 777        | 471        | 502        | 552        | 615        | 687        | 810        | 513        | 548        | 598        | 670        | 764        | 882        |
| 81       | 504        | 533        | 580        | 640        | 712        | 835        | 514        | 547        | 597        | 659        | 738        | 870        | 560        | 596        | 650        | 719        | 825        | 948        |
| 82       | 547        | 577        | 624        | 682        | 762        | 894        | 558        | 591        | 643        | 703        | 789        | 931        | 607        | 645        | 701        | 767        | 886        | 1,015      |
| 83       | 601        | 636        | 690        | 757        | 845        | 991        | 614        | 652        | 711        | 780        | 876        | 1,035      | 655        | 711        | 776        | 850        | 983        | 1,127      |
| 84       | 663        | 700        | 763        | 839        | 937        | 1,099      | 677        | 719        | 787        | 865        | 971        | 1,148      | 721        | 783        | 857        | 943        | 1,091      | 1,252      |
| 97       | 000        | , 00       | , 55       | 000        | 007        | 1,000      | 0,,        | , , , ,    | , , ,      | 000        | 0, 1       | 1,140      | ,          | , 00       | 007        | 0-10       | 1,001      | 1,202      |

Base Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit
Daily Benefit range from \$100 - \$500

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

Facility Care Benefit and 130% Home and Community Care Benefit

| Age   | 2 year | 3 year | 4 year | 5 year | 8 year | Lifetime | 2 year | 3 year | 4 year | 5 year | 8 year | Lifetime | 2 year | 3 year | 4 year | 5 year | 8 year | Lifetime |
|-------|--------|--------|--------|--------|--------|----------|--------|--------|--------|--------|--------|----------|--------|--------|--------|--------|--------|----------|
| 18-40 | 32     | 36     | 40     | 42     | 47     | 57       | 33     | 37     | 41     | 44     | 49     | 60       | 37     | 41     | 45     | 49     | 54     | 66       |
| 41    | 32     | 36     | 40     | 42     | 47     | 57       | 33     | 37     | 41     | 45     | 50     | 60       | 37     | 41     | 45     | 49     | 55     | 66       |
| 42    | 32     | 36     | 41     | 43     | 48     | 58       | 33     | 37     | 42     | 45     | 50     | 61       | 37     | 42     | 46     | 50     | 55     | 67       |
| 43    | 33     | 37     | 42     | 44     | 49     | 60       | 34     | 38     | 43     | 45     | 51     | 62       | 38     | 43     | 47     | 50     | 56     | 68       |
| 44    | 34     | 38     | 42     | 45     | 50     | 61       | 35     | 39     | 44     | 46     | 51     | 63       | 39     | 44     | 48     | 51     | 57     | 69       |
| 45    | 35     | 39     | 43     | 46     | 51     | 62       | 36     | 39     | 45     | 47     | 52     | 64       | 40     | 44     | 48     | 52     | 58     | 71       |
| 46    | 36     | 40     | 44     | 47     | 52     | 63       | 37     | 40     | 45     | 48     | 53     | 66       | 40     | 45     | 49     | 53     | 59     | 72       |
| 47    | 36     | 41     | 44     | 47     | 53     | 64       | 38     | 41     | 46     | 49     | 54     | 67       | 41     | 46     | 50     | 53     | 60     | 73       |
| 48    | 37     | 42     | 45     | 48     | 54     | 66       | 38     | 42     | 47     | 49     | 55     | 68       | 42     | 47     | 51     | 54     | 61     | 75       |
| 49    | 37     | 43     | 46     | 49     | 54     | 68       | 38     | 43     | 47     | 50     | 56     | 70       | 42     | 47     | 52     | 55     | 62     | 77       |
| 50    | 38     | 43     | 47     | 50     | 55     | 70       | 39     | 44     | 48     | 51     | 56     | 72       | 43     | 48     | 52     | 55     | 62     | 78       |
| 51    | 39     | 44     | 47     | 51     | 56     | 71       | 39     | 45     | 48     | 51     | 57     | 73       | 43     | 48     | 53     | 56     | 63     | 80       |
| 52    | 39     | 45     | 48     | 51     | 56     | 73       | 40     | 45     | 49     | 52     | 58     | 75       | 44     | 49     | 54     | 57     | 64     | 82       |
| 53    | 41     | 46     | 50     | 54     | 59     | 77       | 41     | 47     | 51     | 54     | 61     | 78       | 45     | 50     | 56     | 59     | 67     | 85       |
| 54    | 42     | 47     | 52     | 56     | 62     | 80       | 43     | 48     | 53     | 57     | 63     | 82       | 47     | 52     | 58     | 61     | 70     | 89       |
| 55    | 43     | 49     | 54     | 58     | 64     | 84       | 44     | 50     | 55     | 59     | 66     | 85       | 48     | 54     | 60     | 64     | 72     | 93       |
| 56    | 45     | 50     | 56     | 60     | 67     | 87       | 45     | 51     | 57     | 61     | 68     | 89       | 50     | 56     | 62     | 66     | 75     | 96       |
| 57    | 46     | 52     | 57     | 62     | 69     | 91       | 47     | 52     | 59     | 64     | 71     | 93       | 51     | 58     | 64     | 69     | 78     | 100      |
| 58    | 50     | 55     | 62     | 67     | 75     | 98       | 50     | 56     | 64     | 69     | 77     | 100      | 55     | 62     | 69     | 74     | 84     | 108      |
| 59    | 53     | 59     | 66     | 72     | 80     | 105      | 54     | 60     | 68     | 74     | 82     | 108      | 59     | 66     | 74     | 79     | 90     | 117      |
| 60    | 57     | 63     | 71     | 77     | 86     | 112      | 57     | 64     | 72     | 79     | 88     | 115      | 63     | 70     | 79     | 85     | 96     | 125      |
| 61    | 60     | 66     | 75     | 82     | 91     | 119      | 61     | 68     | 77     | 84     | 93     | 123      | 67     | 74     | 84     | 90     | 102    | 133      |
| 62    | 64     | 70     | 80     | 86     | 97     | 126      | 64     | 72     | 81     | 89     | 99     | 131      | 71     | 78     | 89     | 96     | 108    | 142      |
| 63    | 70     | 77     | 88     | 95     | 106    | 139      | 70     | 78     | 90     | 98     | 110    | 144      | 77     | 85     | 98     | 106    | 119    | 156      |
| 64    | 76     | 83     | 96     | 104    | 116    | 152      | 76     | 85     | 98     | 107    | 121    | 158      | 84     | 93     | 107    | 116    | 130    | 171      |
| 65    | 82     | 90     | 105    | 113    | 126    | 166      | 83     | 92     | 106    | 116    | 131    | 171      | 90     | 100    | 116    | 126    | 141    | 186      |
| 66    | 88     | 97     | 113    | 122    | 136    | 179      | 89     | 99     | 115    | 125    | 142    | 185      | 97     | 107    | 126    | 136    | 152    | 201      |
| 67    | 94     | 103    | 121    | 131    | 146    | 192      | 95     | 106    | 123    | 134    | 153    | 198      | 103    | 115    | 135    | 146    | 164    | 216      |
| 68    | 106    | 117    | 136    | 150    | 166    | 216      | 108    | 120    | 140    | 154    | 174    | 223      | 117    | 130    | 152    | 167    | 187    | 243      |
| 69    | 119    | 131    | 152    | 168    | 187    | 239      | 121    | 134    | 156    | 173    | 194    | 247      | 131    | 146    | 170    | 188    | 210    | 270      |
| 70    | 131    | 144    | 167    | 187    | 207    | 262      | 133    | 148    | 173    | 192    | 215    | 272      | 145    | 161    | 187    | 209    | 234    | 296      |
| 71    | 143    | 158    | 183    | 205    | 227    | 285      | 146    | 162    | 189    | 211    | 236    | 296      | 159    | 176    | 205    | 230    | 257    | 323      |
| 72    | 155    | 172    | 198    | 224    | 247    | 308      | 159    | 176    | 206    | 231    | 257    | 321      | 173    | 192    | 222    | 251    | 280    | 350      |
| 73    | 176    | 194    | 226    | 255    | 282    | 349      | 179    | 199    | 234    | 263    | 293    | 364      | 195    | 217    | 252    | 286    | 319    | 397      |
| 74    | 196    | 217    | 253    | 286    | 317    | 390      | 200    | 222    | 262    | 296    | 329    | 407      | 218    | 242    | 281    | 321    | 359    | 443      |
| 75    | 216    | 240    | 280    | 318    | 352    | 432      | 221    | 246    | 290    | 328    | 365    | 450      | 241    | 268    | 311    | 357    | 398    | 490      |
| 76    | 236    | 262    | 307    | 349    | 387    | 473      | 241    | 269    | 317    | 361    | 402    | 493      | 264    | 293    | 340    | 392    | 437    | 537      |
| 77    | 257    | 285    | 334    | 380    | 422    | 514      | 262    | 293    | 345    | 393    | 438    | 536      | 286    | 319    | 369    | 427    | 477    | 584      |
| 78    | 288    | 319    | 372    | 416    | 462    | 564      | 293    | 327    | 383    | 430    | 480    | 588      | 320    | 357    | 412    | 468    | 526    | 640      |
| 79    | 318    | 353    | 409    | 452    | 503    | 614      | 325    | 362    | 422    | 466    | 521    | 640      | 354    | 395    | 455    | 508    | 576    | 697      |
| 80    | 349    | 387    | 446    | 488    | 543    | 664      | 356    | 396    | 460    | 503    | 563    | 692      | 388    | 432    | 498    | 548    | 626    | 754      |
| 81    | 380    | 420    | 483    | 524    | 584    | 714      | 388    | 431    | 498    | 540    | 605    | 744      | 422    | 470    | 541    | 588    | 676    | 810      |
| 82    | 411    | 454    | 520    | 559    | 625    | 764      | 419    | 466    | 536    | 576    | 647    | 796      | 456    | 508    | 584    | 629    | 726    | 867      |
| 83    | 452    | 501    | 575    | 621    | 693    | 847      | 462    | 513    | 593    | 640    | 718    | 884      | 493    | 560    | 646    | 697    | 805    | 963      |
| 84    | 499    | 551    | 636    | 688    | 768    | 939      | 509    | 566    | 656    | 709    | 796    | 981      | 542    | 616    | 714    | 773    | 894    | 1,070    |
| 3.1   |        |        |        |        |        |          |        |        |        |        |        | ,        |        |        |        |        |        | .,       |

#### Generation Protector 2 (Proposed)

#### **Rider Premium Rates and Premium Factors**

| Factors applied to b | pase premium rat | es           |              |              |                  |              |              |              |                |                |              |                    |                        |                   |
|----------------------|------------------|--------------|--------------|--------------|------------------|--------------|--------------|--------------|----------------|----------------|--------------|--------------------|------------------------|-------------------|
| Rate Increase        | 80%              | 70%          | 50%          | 50%          | 50%<br><b>5%</b> | 0%           | 0%           | 0%           | 0%             | 0%<br>Full     | 0%           |                    |                        |                   |
|                      | 5%               | 4%           | 3%           | 5%           | Compound         |              |              |              | Return of      | Return of      |              |                    |                        |                   |
|                      | Compound         | Compound     | Compound     | Simple       | COLA             |              | Paid-up      |              | Premium        | Premium        | Spousal      | Benefit            | Restoration            |                   |
| Age                  | COLA             | COLA         | COLA         | COLA         | w/ 2x Cap        | 10-pay       | at age 65    | SBP          | Upon Death     | Upon Death     | Survivorship | Period             | of Benefits            |                   |
| 18-40                | 4.79             | 3.84         | 2.78         | 2.69         | 2.40             | 3.72         | 1.75         | 1.20         | 1.30           | 1.49           | 1.12         | 2 year             | 1.08                   |                   |
| 41                   | 4.79             | 3.84         | 2.78         | 2.69         | 2.40             | 3.72         | 1.75         | 1.20         | 1.30           | 1.49           | 1.12         | 3 year             | 1.05                   |                   |
| 42<br>43             | 4.79<br>4.77     | 3.84<br>3.83 | 2.78<br>2.78 | 2.69<br>2.69 | 2.40<br>2.40     | 3.72<br>3.63 | 1.75<br>1.78 | 1.20<br>1.20 | 1.30<br>1.32   | 1.49<br>1.51   | 1.12<br>1.12 | 4 year<br>5 year   | 1.04<br>1.04           |                   |
| 43                   | 4.77             | 3.81         | 2.78         | 2.69         | 2.40             | 3.53         | 1.80         | 1.20         | 1.34           | 1.53           | 1.12         | 8 year             | 1.04                   |                   |
| 45                   | 4.73             | 3.81         | 2.78         | 2.70         | 2.40             | 3.44         | 1.83         | 1.21         | 1.35           | 1.56           | 1.12         | Lifetime           | N / A                  |                   |
| 46                   | 4.72             | 3.79         | 2.78         | 2.70         | 2.40             | 3.34         | 1.85         | 1.21         | 1.37           | 1.58           | 1.12         |                    |                        |                   |
| 47                   | 4.70             | 3.77         | 2.78         | 2.70         | 2.40             | 3.25         | 1.88         | 1.21         | 1.39           | 1.60           | 1.12         |                    | Spousal                | Spousal           |
| 48                   | 4.66             | 3.76         | 2.78         | 2.69         | 2.40             | 3.18         | 1.95         | 1.21         | 1.41           | 1.62           | 1.12         |                    | Shared Care            | Shared Care       |
| 49                   | 4.63             | 3.74         | 2.78         | 2.69         | 2.40             | 3.10         | 2.03         | 1.22         | 1.43           | 1.65           | 1.12         | Benefit            | (with no               | (with 1 yr        |
| 50<br>51             | 4.61<br>4.57     | 3.74<br>3.72 | 2.76<br>2.76 | 2.67<br>2.67 | 2.40<br>2.40     | 3.03<br>2.95 | 2.10<br>2.18 | 1.22<br>1.22 | 1.45<br>1.47   | 1.67<br>1.70   | 1.12<br>1.12 | Period             | residual)<br>1.21      | residual)<br>1.12 |
| 52                   | 4.54             | 3.72         | 2.76         | 2.66         | 2.40             | 2.88         | 2.16         | 1.22         | 1.47           | 1.70           | 1.12         | 2 year<br>3 year   | 1.14                   | 1.12              |
| 53                   | 4.43             | 3.64         | 2.72         | 2.64         | 2.40             | 2.81         | 2.39         | 1.23         | 1.52           | 1.76           | 1.12         | 4 year             | 1.09                   | 1.08              |
| 54                   | 4.32             | 3.55         | 2.67         | 2.63         | 2.40             | 2.74         | 2.52         | 1.23         | 1.56           | 1.80           | 1.12         | 5 year             | 1.06                   | 1.05              |
| 55                   | 4.19             | 3.49         | 2.64         | 2.61         | 2.40             | 2.66         | -            | 1.23         | 1.59           | 1.84           | 1.12         | 8 year             | 1.02                   | 1.02              |
| 56                   | 4.09             | 3.40         | 2.60         | 2.60         | 2.40             | 2.59         | -            | 1.23         | 1.62           | 1.89           | 1.11         | Lifetime           | N / A                  | N/A               |
| 57                   | 3.98             | 3.33         | 2.55         | 2.58         | 2.40             | 2.52         | -            | 1.24         | 1.66           | 1.93           | 1.11         |                    |                        |                   |
| 58                   | 3.92             | 3.30         | 2.52         | 2.57         | 2.40             | 2.45         | -            | 1.24         | 1.69           | 1.97           | 1.11         |                    | enefits and Shared Car |                   |
| 59<br>60             | 3.87<br>3.83     | 3.25<br>3.21 | 2.49<br>2.46 | 2.55<br>2.55 | 2.39<br>2.39     | 2.37<br>2.30 | -            | 1.24<br>1.24 | 1.73<br>1.76   | 2.01<br>2.05   | 1.11<br>1.11 | not available with | Lifetime benefit perio | d option.         |
| 61                   | 3.78             | 3.21         | 2.46         | 2.55         | 2.39             | 2.30         | -            | 1.25         | 1.79           | 2.10           | 1.11         | HCC Monthly Be     | nofit                  | 1.06              |
| 62                   | 3.73             | 3.13         | 2.43         | 2.52         | 2.37             | 2.15         |              | 1.25         | 1.83           | 2.14           | 1.11         | Spousal Waiver     |                        | 1.03              |
| 63                   | 3.65             | 3.08         | 2.37         | 2.49         | 2.36             | 2.08         | _            | 1.25         | 1.90           | 2.23           | 1.11         | HCC Calendar D     |                        | 1.02              |
| 64                   | 3.58             | 3.03         | 2.34         | 2.46         | 2.34             | 2.02         | -            | 1.25         | 1.98           | 2.33           | 1.11         | Waiver of HCC E    |                        | 1.12              |
| 65                   | 3.49             | 2.96         | 2.31         | 2.45         | 2.34             | 1.95         | -            | 1.26         | 2.06           | 2.43           | 1.11         |                    |                        |                   |
| 66                   | 3.42             | 2.91         | 2.28         | 2.42         | 2.33             | 1.89         | -            | 1.26         | 2.14           | 2.53           | 1.10         | Monthly Indemn     | ity Benefit            |                   |
| 67                   | 3.35             | 2.86         | 2.25         | 2.39         | 2.31             | 1.82         | -            | 1.26         | 2.23           | 2.64           | 1.10         | 10%                |                        | 1.04              |
| 68<br>69             | 3.28<br>3.20     | 2.81<br>2.75 | 2.22<br>2.19 | 2.36<br>2.33 | 2.30<br>2.28     | 1.76<br>1.71 | -            | 1.26<br>1.27 | 2.36<br>2.50   | 2.81<br>3.00   | 1.10<br>1.10 | 25%<br>50%         |                        | 1.10<br>1.23      |
| 70                   | 3.20             | 2.75         | 2.19         | 2.33         | 2.26             | 1.65         |              | 1.27         | 2.65           | 3.00           | 1.10         | 100% (age < 60)    |                        | 2.57              |
| 71                   | 3.06             | 2.65         | 2.13         | 2.28         | 2.25             | 1.60         | _            | 1.27         | 2.80           | 3.40           | 1.08         | 100% (age < 60+)   |                        | 2.23              |
| 72                   | 2.99             | 2.60         | 2.10         | 2.25         | 2.24             | 1.54         | -            | 1.27         | 2.97           | 3.62           | 1.07         | , (ag)             |                        |                   |
| 73                   | 2.93             | 2.57         | 2.09         | 2.22         | 2.22             | 1.48         | -            | 1.28         | 3.54           | 4.54           | 1.06         | Elimination Peri   | od Factors             |                   |
| 74                   | 2.88             | 2.53         | 2.06         | 2.21         | 2.21             | 1.42         | -            | 1.28         | 4.23           | 5.71           | 1.05         | 7 Day              |                        | 1.30              |
| 75                   | 2.83             | 2.48         | 2.04         | 2.18         | 2.18             | 1.37         | -            | 1.28         | 5.06           | 7.21           | 1.04         | 30 Day             |                        | 1.18              |
| 76<br>77             | 2.77             | 2.45         | 2.01<br>2.00 | 2.16<br>2.13 | 2.16             | 1.31         | -            | 1.28         | 5.82           | 9.15           | 1.03         | 60 Day             |                        | 1.08              |
| 77                   | 2.72<br>2.68     | 2.41<br>2.38 | 1.98         | 2.13         | 2.15<br>2.13     | 1.25<br>1.22 |              | 1.29<br>1.29 | 6.07<br>7.28   | 11.66<br>13.99 | 1.02<br>1.02 | 90 Day<br>180 Day  |                        | 1.00<br>0.90      |
| 79                   | 2.63             | 2.35         | 1.95         | 2.12         | 2.12             | 1.19         |              | 1.29         | 8.74           | 16.79          | 1.02         | 365 Day            |                        | 0.80              |
| 80                   | 2.59             | 2.33         | 1.94         | 2.07         | 2.10             | 1.16         | _            | 1.29         | 10.48          | 20.15          | 1.02         | ooo bay            |                        | 0.00              |
| 81                   | 2.54             | 2.30         | 1.91         | 2.06         | 2.09             | 1.13         | -            | 1.30         | 10.48          | 20.15          | 1.02         | Risk Class Facto   | ors                    |                   |
| 82                   | 2.50             | 2.26         | 1.89         | 2.04         | 2.07             | 1.10         | -            | 1.30         | 10.48          | 20.15          | 1.02         | Preferred Plus     |                        | 0.85              |
| 83                   | 2.47             | 2.23         | 1.88         | 2.03         | 2.04             | 1.09         | -            | 1.30         | 10.48          | 20.15          | 1.02         | Preferred          |                        | 1.00              |
| 84                   | 2.43             | 2.21         | 1.86         | 2.01         | 2.01             | 1.08         | -            | 1.30         | 10.48          | 20.15          | 1.02         | Standard           |                        | 1.20              |
| 85                   | 2.41             | 2.19         | 1.85         | 1.98         | 2.00             | 0            | 0            | 1.30         | 10.48          | 20.15          | 1.02         | Select I           |                        | 1.50              |
| 88<br>89             | 2.32             | 2.13         | 1.80         | 1.92         | 1.94             | -            | -            | 1.30         | 10.48          | 20.15          | 1.02         | Select IV          |                        | 3.00              |
| 90                   | 2.30<br>2.27     | 2.09<br>2.07 | 1.77<br>1.76 | 1.89<br>1.86 | 1.92<br>1.89     | -            | -            | 1.30<br>1.30 | 10.48<br>10.48 | 20.15<br>20.15 | 1.02<br>1.02 | Discount Factor    | •                      |                   |
| 91                   | 2.25             | 2.04         | 1.74         | 1.85         | 1.88             | -            | -            | 1.30         | 10.48          | 20.15          | 1.02         | Married            | <u> </u>               | 0.90              |
| 92+                  | 2.21             | 2.02         | 1.73         | 1.82         | 1.85             | -            | -            | 1.30         | 10.48          | 20.15          | 1.02         | Spousal            |                        | 0.70              |
| 1                    | •                |              | -            |              |                  |              |              |              | - 1-           |                |              | Facility Care Only | / Endorsement          | 0.90              |
|                      |                  |              |              |              |                  |              |              |              |                |                |              |                    |                        |                   |

Coverage Enhancement Rider
Daily Benefit Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

Facility Care Benefit and 130% Home and Community Care Benefit

| Age      | 2 year   | 3 year     | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   |
|----------|----------|------------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|
| 18-40    | 44       | 49         | 54       | 57       | 64       | 78         | 45       | 50       | 56       | 61       | 67       | 82         | 50       | 56       | 61       | 67       | 73       | 90         |
| 41       | 44       | 49         | 54       | 57       | 64       | 78         | 45       | 50       | 56       | 61       | 68       | 82         | 50       | 56       | 61       | 67       | 75       | 90         |
| 42       | 44       | 49         | 56       | 59       | 66       | 79         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 57       | 62       | 67       | 74       | 91         |
| 43       | 44       | 50         | 56       | 59       | 66       | 80         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 57       | 63       | 67       | 75       | 91         |
| 44       | 45       | 50         | 56       | 59       | 66       | 80         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 58       | 63       | 67       | 75       | 91         |
| 45       | 45       | 51         | 56       | 59       | 66       | 80         | 47       | 51       | 57       | 61       | 68       | 84         | 51       | 58       | 63       | 67       | 75       | 92         |
| 46       | 45       | 51         | 56       | 60       | 66       | 81         | 47       | 51       | 57       | 61       | 68       | 84         | 52       | 58       | 63       | 67       | 75       | 92         |
| 47       | 46       | 52         | 56       | 60       | 67       | 81         | 47       | 52       | 57       | 61       | 68       | 84         | 52       | 58       | 63       | 67       | 76       | 92         |
| 48       | 47       | 53         | 57       | 61       | 67       | 83         | 48       | 53       | 58       | 62       | 69       | 86         | 53       | 59       | 64       | 68       | 77       | 94         |
| 49       | 48       | 54         | 58       | 62       | 68       | 86         | 49       | 54       | 59       | 63       | 70       | 88         | 53       | 59       | 65       | 69       | 78       | 96         |
| 50       | 49       | 55         | 59       | 63       | 69       | 88         | 50       | 55       | 60       | 64       | 71       | 90         | 54       | 60       | 66       | 70       | 79       | 99         |
| 51       | 50       | 55         | 61       | 64       | 70       | 90         | 51       | 56       | 61       | 65       | 72       | 92         | 55       | 61       | 67       | 70       | 80       | 101        |
| 52       | 50       | 56         | 62       | 65       | 71       | 92         | 51       | 57       | 61       | 66       | 73       | 94         | 56       | 61       | 68       | 71       | 81       | 103        |
| 53       | 51       | 57         | 63       | 66       | 73       | 95         | 52       | 58       | 63       | 67       | 75       | 97         | 56       | 62       | 69       | 73       | 83       | 106        |
| 54       | 52       | 58         | 64       | 68       | 75<br>77 | 97         | 53       | 59       | 64       | 69       | 77<br>70 | 100        | 57       | 63       | 70       | 75<br>76 | 85       | 108        |
| 55       | 52       | 59<br>50   | 65<br>66 | 69       | 77<br>70 | 100        | 53       | 59       | 66       | 71<br>72 | 79       | 102        | 58<br>50 | 65<br>66 | 72<br>73 | 76       | 86       | 111        |
| 56       | 53       | 59         | 66       | 71       | 79       | 103        | 54       | 60       | 67       |          | 81       | 105        | 59       | 66       | 73<br>75 | 78       | 88       | 113        |
| 57<br>58 | 54<br>57 | 60<br>63   | 67<br>70 | 72<br>76 | 81<br>85 | 105<br>111 | 55<br>57 | 61<br>64 | 69<br>72 | 74<br>78 | 82<br>87 | 107<br>114 | 59<br>62 | 67<br>70 | 75<br>78 | 80<br>84 | 90<br>95 | 116<br>123 |
| 59       | 59       | 66         | 70<br>74 | 80       | 89       | 117        | 60       | 67       | 72<br>76 | 82       | 91       | 120        | 66       | 73       | 82       | 88       | 100      | 130        |
| 60       | 62       | 69         | 74<br>78 | 84       | 94       | 122        | 63       | 70       | 76<br>79 | 86       | 96       | 126        | 69       | 76       | 86       | 93       | 105      | 136        |
| 61       | 65       | 71         | 81       | 88       | 98       | 128        | 66       | 73       | 83       | 90       | 100      | 132        | 72       | 70<br>79 | 90       | 97       | 109      | 143        |
| 62       | 68       | 74         | 85       | 92       | 102      | 133        | 68       | 76       | 86       | 94       | 105      | 139        | 75       | 82       | 93       | 101      | 114      | 150        |
| 63       | 74       | 81         | 93       | 101      | 113      | 147        | 75       | 83       | 95       | 104      | 116      | 152        | 82       | 90       | 103      | 112      | 126      | 165        |
| 64       | 80       | 88         | 102      | 110      | 123      | 161        | 81       | 90       | 103      | 113      | 126      | 166        | 88       | 98       | 113      | 122      | 137      | 181        |
| 65       | 86       | 95         | 110      | 119      | 133      | 175        | 87       | 97       | 112      | 122      | 137      | 180        | 95       | 105      | 122      | 133      | 149      | 196        |
| 66       | 93       | 102        | 119      | 129      | 143      | 188        | 94       | 104      | 121      | 132      | 147      | 194        | 102      | 113      | 132      | 143      | 160      | 211        |
| 67       | 99       | 109        | 127      | 138      | 153      | 202        | 100      | 111      | 129      | 141      | 158      | 208        | 109      | 121      | 141      | 153      | 172      | 227        |
| 68       | 112      | 123        | 143      | 157      | 175      | 226        | 113      | 126      | 146      | 161      | 180      | 234        | 123      | 137      | 160      | 175      | 196      | 255        |
| 69       | 125      | 137        | 160      | 177      | 196      | 251        | 127      | 140      | 163      | 182      | 202      | 259        | 138      | 153      | 178      | 197      | 221      | 283        |
| 70       | 138      | 152        | 176      | 196      | 217      | 275        | 140      | 155      | 180      | 202      | 225      | 285        | 152      | 169      | 197      | 219      | 245      | 311        |
| 71       | 151      | 166        | 192      | 215      | 239      | 299        | 153      | 170      | 197      | 222      | 247      | 311        | 167      | 185      | 215      | 241      | 270      | 339        |
| 72       | 164      | 180        | 208      | 235      | 260      | 323        | 167      | 185      | 214      | 242      | 269      | 337        | 181      | 201      | 233      | 263      | 294      | 367        |
| 73       | 185      | 204        | 236      | 268      | 296      | 367        | 189      | 209      | 242      | 276      | 307      | 382        | 205      | 228      | 264      | 300      | 335      | 417        |
| 74       | 206      | 228        | 263      | 301      | 333      | 410        | 211      | 234      | 271      | 310      | 345      | 427        | 229      | 255      | 295      | 338      | 377      | 466        |
| 75       | 228      | 252        | 290      | 334      | 370      | 453        | 233      | 258      | 299      | 344      | 384      | 472        | 253      | 281      | 326      | 375      | 418      | 515        |
| 76       | 249      | 276        | 317      | 367      | 406      | 497        | 254      | 283      | 328      | 379      | 422      | 517        | 277      | 308      | 357      | 412      | 459      | 564        |
| 77       | 271      | 299        | 345      | 399      | 443      | 540        | 276      | 307      | 356      | 413      | 460      | 563        | 301      | 335      | 388      | 449      | 500      | 613        |
| 78       | 303      | 335        | 385      | 437      | 489      | 592        | 309      | 344      | 397      | 451      | 508      | 617        | 336      | 375      | 433      | 491      | 553      | 673        |
| 79       | 335      | 370        | 425      | 475      | 536      | 645        | 342      | 380      | 439      | 490      | 555      | 672        | 372      | 414      | 478      | 533      | 605      | 732        |
| 80       | 367      | 406        | 466      | 512      | 582      | 697        | 375      | 416      | 480      | 528      | 603      | 727        | 408      | 454      | 523      | 575      | 657      | 792        |
| 81       | 399      | 442        | 506      | 550      | 629      | 750        | 407      | 453      | 521      | 567      | 651      | 781        | 443      | 494      | 568      | 618      | 710      | 851        |
| 82       | 431      | 477        | 546      | 587      | 675      | 802        | 440      | 489      | 563      | 605      | 699      | 836        | 479      | 533      | 614      | 660      | 762      | 911        |
| 83       | 475      | 526        | 604      | 652      | 749      | 890        | 485      | 539      | 622      | 672      | 776      | 928        | 517      | 588      | 679      | 732      | 846      | 1,012      |
| 86       | 579      | 650        | 759      | 834      | 964      | 1209       | 592      | 667      | 783      | 862      | 1002     | 1267       | 643      | 737      | 864      | 950      | 1109     | 1400       |
| 87       | 607      | 685        | 804      | 889      | 1031     | 1321       | 621      | 704      | 830      | 921      | 1073     | 1385       | 680      | 782      | 921      | 1020     | 1194     | 1538       |
| 88       | 635      | 721        | 850      | 945      | 1098     | 1433       | 650      | 740      | 877      | 979      | 1144     | 1503       | 716      | 827      | 978      | 1089     | 1279     | 1676       |
| 89       | 662      | 756<br>701 | 895      | 1001     | 1165     | 1544       | 679      | 777      | 924      | 1038     | 1214     | 1621       | 753      | 871      | 1035     | 1159     | 1364     | 1815       |
| 90       | 690      | 791        | 941      | 1057     | 1232     | 1656       | 708      | 813      | 971      | 1097     | 1285     | 1739       | 790      | 916      | 1092     | 1228     | 1449     | 1953       |
| 91       | 718      | 827        | 986      | 1112     | 1299     | 1768       | 737      | 850      | 1018     | 1156     | 1356     | 1858       | 827      | 961      | 1149     | 1298     | 1534     | 2091       |
| 92+      | 745      | 862        | 1032     | 1168     | 1366     | 1879       | 766      | 886      | 1065     | 1214     | 1427     | 1976       | 863      | 1006     | 1206     | 1367     | 1619     | 2230       |

Coverage Enhancement Rider Benefit Period Premium Rates Preferred Rate Class, 90 Day Elimination Period Rates are per \$10 Facility Care Daily Benefit

|                     | 70% Hor          | efit             |                  | acility Care E<br>ne and Comr |                  | Benefit          |                  | acility Care E<br>ne and Comr |                  | Benefit          |                  |                  |
|---------------------|------------------|------------------|------------------|-------------------------------|------------------|------------------|------------------|-------------------------------|------------------|------------------|------------------|------------------|
| From:<br>To:<br>Age | 2 year<br>3 year | 3 year<br>4 year | 4 year<br>5 year | 5 year<br>8 year              | 2 year<br>3 year | 3 year<br>4 year | 4 year<br>5 year | 5 year<br>8 year              | 2 year<br>3 year | 3 year<br>4 year | 4 year<br>5 year | 5 year<br>8 year |
| 18-40               | 17               | 18               | 18               | 22                            | 17               | 19               | 20               | 22                            | 19               | 20               | 22               | 25               |
| 41                  | 17               | 18               | 18               | 22                            | 17               | 19               | 20               | 23                            | 19               | 20               | 22               | 25               |
| 42                  | 17               | 18               | 18               | 22                            | 17               | 19               | 19               | 23                            | 19               | 20               | 22               | 25               |
| 43                  | 16               | 18               | 18               | 22                            | 17               | 19               | 18               | 22                            | 19               | 20               | 21               | 24               |
| 44                  | 16               | 18               | 17               | 21                            | 16               | 18               | 18               | 21                            | 19               | 19               | 20               | 24               |
| 45                  | 16               | 17               | 16               | 20                            | 15               | 18               | 17               | 21                            | 18               | 18               | 19               | 23               |
| 46                  | 16               | 16               | 16               | 20                            | 15               | 17               | 17               | 20                            | 17               | 18               | 18               | 23               |
| 47                  | 16               | 15               | 15               | 19                            | 15               | 16               | 16               | 19                            | 17               | 17               | 17               | 23               |
| 48                  | 16               | 15               | 15               | 19                            | 15               | 16               | 16               | 20                            | 17               | 18               | 17               | 23               |
| 49                  | 16               | 16               | 16               | 19                            | 15               | 16               | 16               | 20                            | 17               | 18               | 17               | 23               |
| 50                  | 16               | 16               | 16               | 19                            | 15               | 16               | 17               | 20                            | 17               | 18               | 17               | 23               |
| 51                  | 16               | 17               | 16               | 19                            | 15               | 16               | 17               | 21                            | 17               | 19               | 17               | 23               |
| 52                  | 16               | 17               | 16               | 19                            | 15               | 16               | 17               | 21                            | 17               | 19               | 17               | 23               |
| 53                  | 16               | 17               | 16               | 19                            | 15               | 16               | 16               | 21                            | 17               | 19               | 17               | 23               |
| 54                  | 15               | 16               | 15               | 19                            | 15               | 16               | 16               | 20                            | 17               | 18               | 17               | 23               |
| 55                  | 15               | 16               | 15               | 19                            | 15               | 16               | 16               | 20                            | 16               | 18               | 16               | 23               |
| 56                  | 14               | 15               | 15               | 19                            | 14               | 16               | 15               | 19                            | 16               | 17               | 16               | 22               |
| 57                  | 14<br>13         | 15<br>15         | 14<br>14         | 19<br>18                      | 14<br>13         | 16               | 15<br>14         | 19<br>18                      | 16<br>15         | 17<br>17         | 15<br>15         | 21<br>21         |
| 58<br>59            | 12               | 15               | 13               | 17                            | 13               | 16<br>16         | 14               | 18                            | 14               | 17               | 15               | 20               |
| 60                  | 12               | 15               | 13               | 17                            | 12               | 15               | 14               | 17                            | 13               | 16               | 14               | 20               |
| 61                  | 11               | 15               | 12               | 16                            | 12               | 15               | 13               | 17                            | 13               | 16               | 14               | 19               |
| 62                  | 11               | 15               | 13               | 16                            | 12               | 15               | 13               | 17                            | 12               | 16               | 14               | 19               |
| 63                  | 11               | 16               | 13               | 17                            | 12               | 16               | 14               | 17                            | 13               | 18               | 14               | 20               |
| 64                  | 12               | 18               | 14               | 18                            | 13               | 18               | 15               | 19                            | 14               | 20               | 15               | 21               |
| 65                  | 13               | 20               | 15               | 20                            | 14               | 20               | 16               | 20                            | 15               | 22               | 16               | 23               |
| 66                  | 14               | 22               | 16               | 21                            | 15               | 22               | 17               | 22                            | 16               | 24               | 18               | 24               |
| 67                  | 15               | 24               | 17               | 22                            | 16               | 24               | 18               | 23                            | 17               | 27               | 19               | 26               |
| 68                  | 17               | 26               | 21               | 25                            | 18               | 27               | 22               | 26                            | 19               | 30               | 23               | 29               |
| 69                  | 18               | 29               | 25               | 28                            | 20               | 30               | 26               | 30                            | 22               | 33               | 28               | 33               |
| 70                  | 20               | 32               | 29               | 31                            | 22               | 32               | 30               | 33                            | 24               | 36               | 32               | 36               |
| 71                  | 22               | 34               | 33               | 33                            | 24               | 35               | 34               | 36                            | 26               | 39               | 37               | 40               |
| 72                  | 24               | 37               | 37               | 36                            | 26               | 38               | 38               | 39                            | 29               | 42               | 41               | 43               |
| 73                  | 28               | 41               | 43               | 41                            | 29               | 43               | 45               | 44                            | 33               | 47               | 49               | 49               |
| 74                  | 31               | 46               | 50               | 47                            | 33               | 48               | 52               | 50                            | 37               | 53               | 56               | 55               |
| 75                  | 35               | 50               | 57               | 52                            | 37               | 53               | 59               | 56                            | 41               | 58               | 64               | 61               |
| 76                  | 38               | 55               | 64               | 57                            | 40               | 58               | 66               | 61                            | 45               | 64               | 72               | 67               |
| 77                  | 42<br>47         | 60               | 71<br>70         | 62<br>73                      | 44<br>49         | 63               | 74<br>73         | 67                            | 49               | 69               | 79<br>79         | 73<br>85         |
| 78<br>79            | 47<br>51         | 66<br>73         | 70<br>69         | 84                            | 49<br>54         | 70<br>77         | 73<br>72         | 78<br>89                      | 54<br>60         | 76<br>84         | 79<br>78         | 97               |
| 80                  | 56               | 73<br>79         | 69               | 95                            | 59               | 84               | 71               | 100                           | 66               | 91               | 76<br>77         | 109              |
| 81                  | 61               | 86               | 68               | 105                           | 65               | 90               | 70               | 112                           | 71               | 98               | 76               | 121              |
| 84                  | 80               | 116              | 86               | 143                           | 85               | 123              | 89               | 152                           | 105              | 134              | 97               | 166              |
| 85                  | 89               | 128              | 98               | 157                           | 94               | 135              | 103              | 167                           | 115              | 148              | 112              | 185              |
| 86                  | 98               | 140              | 111              | 170                           | 103              | 147              | 117              | 182                           | 125              | 162              | 127              | 204              |
| 87                  | 107              | 152              | 123              | 184                           | 112              | 159              | 130              | 196                           | 134              | 177              | 142              | 223              |
| 88                  | 116              | 164              | 136              | 198                           | 121              | 172              | 144              | 211                           | 144              | 191              | 158              | 242              |
| 89                  | 125              | 175              | 148              | 212                           | 130              | 184              | 158              | 226                           | 154              | 205              | 173              | 261              |
| 90                  | 134              | 187              | 160              | 226                           | 139              | 196              | 172              | 240                           | 164              | 220              | 188              | 280              |
| 91                  | 143              | 199              | 173              | 240                           | 148              | 208              | 186              | 255                           | 174              | 234              | 203              | 298              |
| 92+                 | 152              | 211              | 185              | 253                           | 157              | 221              | 200              | 270                           | 183              | 249              | 218              | 317              |

#### Coverage Enhancement Rider Elimination Period Factors Preferred Rate Class

| From:    | 30 days | 60 days      | 90 days      | 180 days     | 365 days     |
|----------|---------|--------------|--------------|--------------|--------------|
| To:      |         | 30 days      |              | 90 days      | 180 days     |
| Age      | ,       |              |              |              | ,            |
| 18-40    | 1.50    | 1.49         | 1.47         | 1.51         | 1.53         |
| 41       | 1.50    | 1.49         | 1.47         | 1.51         | 1.53         |
| 42       | 1.50    | 1.49         | 1.47         | 1.51         | 1.53         |
| 43       | 1.48    | 1.46         | 1.45         | 1.49         | 1.51         |
| 44       | _       | 1.44         | 1.43         | 1.47         | 1.49         |
| 45       |         | 1.42         | 1.40         | 1.44         | 1.46         |
| 46       |         | 1.40         | 1.38         | 1.42         | 1.44         |
| 47       | 1.39    | 1.38         | 1.36         | 1.40         | 1.42         |
| 48       |         | 1.38         | 1.36         | 1.40         | 1.42         |
| 49       |         | 1.38         | 1.36         | 1.40         | 1.42         |
| 50       |         | 1.38         | 1.36         | 1.40         | 1.42         |
| 51       | 1.39    | 1.38         | 1.36         | 1.40         | 1.42         |
| 52<br>53 |         | 1.38<br>1.35 | 1.36<br>1.34 | 1.40<br>1.38 | 1.42         |
| 53<br>54 |         | 1.33         | 1.34         | 1.36         | 1.40<br>1.37 |
| 54<br>55 |         | 1.33         | 1.32         | 1.33         | 1.35         |
| 56       |         | 1.29         | 1.27         | 1.33         | 1.33         |
| 57       |         | 1.23         | 1.25         | 1.29         | 1.31         |
| 58       |         | 1.25         | 1.23         | 1.27         | 1.28         |
| 59       |         | 1.22         | 1.21         | 1.24         | 1.26         |
| 60       |         | 1.20         | 1.19         | 1.22         | 1.24         |
| 61       | 1.19    | 1.18         | 1.17         | 1.20         | 1.22         |
| 62       |         | 1.16         | 1.14         | 1.18         | 1.19         |
| 63       | 1.17    | 1.16         | 1.14         | 1.18         | 1.19         |
| 64       | 1.16    | 1.15         | 1.14         | 1.17         | 1.19         |
| 65       | 1.16    | 1.15         | 1.14         | 1.17         | 1.19         |
| 66       | 1.16    | 1.15         | 1.14         | 1.17         | 1.18         |
| 67       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 68       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 69       | _       | 1.15         | 1.13         | 1.17         | 1.18         |
| 70       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 71       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 72       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 73       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 74<br>75 | _       | 1.15         | 1.13         | 1.17<br>1.17 | 1.18<br>1.18 |
| 75<br>76 |         | 1.15<br>1.15 | 1.13<br>1.13 | 1.17         | 1.18         |
| 76       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 78       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 79       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 80       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 81       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 82       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 83       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 86       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 87       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 88       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 89       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 90       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 91       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 92+      | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
|          |         |              |              |              |              |

Allianz Life Insurance Company of North America PO Box 59060 Minneapolis, MN 55459-0060 [800.789.6896]



[Date]

[Owner First Name] [Owner Middle Name] [Owner Last Name] [Owner Address L1] [Owner Address L2] [Owner City], [Owner State] [Owner Zip] [Owner Zip Rest]

[Policy Number]

Important notice of increase in your long term care insurance premium with time-sensitive options

Dear [Owner First Name] [Owner Last Name],

At Allianz Life Insurance Company of North America (Allianz), our highest priority is fulfilling our commitments to our policyholders. To this end, we periodically compare the initial premium projections we made on our long term care policies to our actual claims experience. During a recent review we determined that we need to increase the premium rates on our long term care policies.

We want you to know that we took this decision very seriously and weighed several options before filing a [Overall Increase %] premium rate increase. We assure you that this premium increase applies to classes of our long term care policies in aggregate, and does not in any way reflect an individual policyholder's age, health status, or claim activity.

We also want you to know that the Virginia State Corporation Commission reviewed this rate increase and found it to be compliant with applicable Virginia laws and regulations. You can review this and all premiumrate filings online at www.scc.virginia.gov/BOI.

## Your premium increase

Based on your current benefits, the premium rate increase will raise your current premium of [Billed Premium] [Bill Mode] to [adj'd billing1] [Bill Mode], effective with your first bill on or after [anniversary1].

Please note that recent changes to your policy may not be reflected in the premium rate above. For up-to-date information about your current premium and benefit levels, you can request a current policy schedule from Allianz by contacting us at [800.789.6896]. Please also be aware that premium rates could change again in the future. In the event of a future rate increase, you'll have options similar to those we describe in the next section.

# Your options

We understand that this premium increase may significantly impact some of our policyholders. That's why we're offering the flexibility to choose among the following options, which we discuss in more detail in the enclosed Frequently Asked Questions (FAQs):

| <b>A. Maintain your current benefit amounts</b> by paying the increased premium.                  |
|---|
| B. Lessen the impact of the rate increase on your premiums through benefit reduction(s) or rider  |
| cancellation(s).  |
| C. Elect the paid-up option in the attached Premium Increase Contingent Benefit Upon Lapse Rider  |
| with a reduced Maximum Lifetime Benefit or Benefit Amount.  |
| D. Convert your contract to paid-up coverage with a reduced Maximum Lifetime Benefit or Benefit   |
| Amount available through a Non-Forfeiture Rider [or Return of Premium Rider] that may be included |
| with your policy.   |
|   |

If you wish to elect options B, C, or D, please complete the enclosed coverage change request form and return it to us. Please be aware that the options listed above may not be of equal value and some may have time limitations. For more details, please see Question 4 in the attached FAQs. We encourage you to contact us or your financial professional to help determine which may be suitable for your needs.

## We're here to help

Before you make any changes, we strongly encourage you to contact one of our customer service representatives at [800.789.6896], weekdays from [8:00 a.m. to 5:00 p.m. CST]. They can provide you with details about your options, and help you determine how changes to your long term care insurance coverage will impact your benefits and premium payments. You can also contact us or your Allianz agent for help with the change request form. We value the trust you've placed in us, and we're here to help.

Sincerely,

[Individual's name] [Individual's title]

NOTE: This letter is not a bill. Please retain a copy of this letter with your policy for future reference.

Enclosed: Coverage Change Request Form

Premium Increase Contingent Benefit Upon Lapse Rider Premium Increase Contingent Benefit Upon Lapse Rider Schedule Benefit Change Endorsement

[cc:] [Agent First Name] [Agent Middle Name] [Agent Last Name]

Guarantees are backed by the financial strength of Allianz Life Insurance Company of North America.

Products are issued by Allianz Life Insurance Company of North America, 5701 Golden Hills Drive, Minneapolis, MN 55416-1297. [800.789.6896]

## **Frequently asked questions**

## 1. Why are rates increasing?

When Allianz designed its long term care (LTC) insurance products several years ago, we based your initial premium on actuarial assumptions, which used the best information available to us at that time. Since then we've continually monitored our LTC policies to compare those initial projections against our actual claim experience. During a recent review we determined that, due to a combination of factors we outline below, we need to increase the premium rates on our long term care policies.

We realize the rate increase is difficult for our policyholders, and assure you that we considered all of our options very carefully before increasing your premium. We also want to reassure you that this premium increase applies to classes of our long term care policies in aggregate, and does not in any way reflect an individual policyholder's age, health status, or claim activity. Your class is determined by which benefit increase rider is attached to your policy. In your case, you have the [COLA Rider] attached to your policy.

#### 2. How was the rate increase amount determined?

LTC insurance rates are affected by many complex factors including the rising cost of health care, interest rates, the number of people who continue coverage, how many policyholders collect benefits, and for how long. Policyholders are using more benefits than our actuaries anticipated when they originally priced our long term care policies. Based on our experience – and new expectations – we need to adjust premiums to ensure adequate funding to pay current and anticipated future claims.

Once we determine that a proposed premium rate increase is necessary, we submit the information along with supporting data through an approval process with your state's insurance regulators. The state provides an independent perspective that is crucial in establishing an increase amount that balances the needs of our policyholders and our company. Ultimately, the state approves an increase that considers all of the factors noted above.

# 3. Did my state approve my rate increase?

Yes. When we submit a rate increase request to a state, the submission includes an actuarial justification discussing the reasonableness of the relationship between premiums charged and expected benefit payments. Each state conducts its own review of the submission and determines whether the state-specific rate increase is warranted, and in what amount. This process is designed to prevent premiums in one state being increased to cover insufficient premiums in another state.

# 4. What are my options?

To help ease the impact of this rate increase, we're offering our policyholders several options. Please see the enclosed Coverage Change Request form for more details:

- A. Maintain your current benefit amounts by paying the increased premium.
- B. Lessen the impact of the rate increase on your premiums through benefit reduction(s) or rider cancellation(s) that may fully or partially offset the premium increase. [(Additionally, please note that some benefit reduction options may result in a loss in Virginia state partnership status, which may reduce policyholder protections.)]
  - Reduce benefit amounts and/or benefit periods, or increase your Elimination Period. Please note: Benefit amounts or periods must not be less than any minimum policy requirements.
  - Cancel optional riders that you purchased with your policy. Please refer to the specific riders attached to your policy for additional details regarding the rider terms. [

- Until [COLA Vesting Date], you may cancel the [COLA Rider] while keeping the rider's accrued benefit increase percentages as of the time of cancellation. After the rider is cancelled, the applicable benefit amount(s) will no longer increase. [You also have the option to exchange the [COLA Rider] for [the 4% Lifetime Compound Benefit Increase Rider,] the 3% Lifetime Compound Benefit Increase Rider[, or the Simple Benefit Increase Rider].] Note that this offer is only available if we receive written notice requesting the change before [COLA Vesting Date]. [Also, [reducing or] cancelling the [COLA Rider] may result in a loss of your state partnership status, which may reduce policyholder protections.]]
- C. Elect the paid-up option in the attached Premium Increase Contingent Benefit Upon Lapse Rider with a reduced Maximum Lifetime Benefit or Benefit Amount. See the specific rider attached to your policy for details. Please note that we must receive your request prior to [Latest Election Date]. There is no charge for this rider. However, because this paid-up option starts on your upcoming anniversary date, you must continue paying premiums up to that policy anniversary date.
- D. Convert your contract to paid-up coverage with a reduced Maximum Lifetime Benefit or Benefit Amount by electing options through a Non-Forfeiture Rider [or Return of Premium Rider] that may be included with your policy. Premiums will no longer be required after the start of the paid-up coverage. Please refer to the specific rider attached to your policy for additional details regarding the rider terms.

Please note that the options listed above may not be of equal value. We encourage you to contact us or your financial professional to help determine which may be suitable for your needs.

# 5. When is the premium increase effective?

Please see the enclosed Premium Increase Contingent Benefit Upon Lapse Rider Schedule.

### 6. How much time do I have to make a decision?

Some of the options available to you are time-sensitive. Please note any dates listed in Question 4, What are my options, listed above. We would advise that you make a decision prior to your upcoming policy anniversary on [anniversary1].

# 7. The letter states that "premium rates could change again in the future." What does this mean?

It is possible there will be additional rate increases in the future. An increase will only occur if we can demonstrate additional premium amounts are needed to sustain the policies, and then the increase would need to be filed with state insurance regulators for approval.

Keep in mind that the rate increase will not change your policy's benefits. As long as you continue paying full premiums, your policy will remain in effect and unchanged. Note that your benefits would decrease if you make changes to your policy, such as by reducing your benefits, or by electing reduced paid-up coverage.

# 8. I've never filed a claim. Why am I getting a rate increase?

This premium increase applies to classes of our long term care policies in aggregate, and does not in any way reflect an individual policyholder's age, health status, or claim activity. Your class is determined by which benefit increase rider is attached to your policy. In your case, you have the [COLA Rider] attached to your policy.

# 9. I am currently on claim. Am I affected by this rate increase?

If you are currently in claim status and not paying premiums because of a Waiver of Premium provision in your policy, you do not need to pay the increased premium yet. Once you are no longer in claim status and premiums are due, you will need to pay the increased premium to maintain your coverage. If your policy does not provide for a Waiver of Premium benefit, you will be required to pay the increased premium.

## 10. Will policies with a 10-pay rider be impacted?

The increase will impact only the remaining premiums in your 10-year premium paying period. Once the policy is fully paid-up, the policyholder has no further premium obligations.

# 11. What if I use EFT or an automatic online (or third-party) accounts to pay my premium?

Please make sure that your premium payments are updated for your new premium rate. Otherwise your policy could lapse if we don't receive the full premium amount. Below are some additional considerations for the payment of your new premiums.

- If you pay your premiums with an EFT from your bank account, this notification requires timesensitive decisions that may affect the amount of your EFT bank withdrawal.
  - o If you scheduled your draft to occur prior to your upcoming anniversary for the premiums due on or after your anniversary, we'll apply the increased premium to that scheduled draft unless you request a change in coverage as described in this notification.
  - o If you do not want the increase to apply to your EFT, please contact us to remove your premium payment from EFT and change to direct bill.
  - o If you choose the Reduced Paid Up Option, no further premium payments will be due after your anniversary date and the EFT draft will be discontinued at that time.
- If you pay your premiums using automatic online (or third-party) accounts, please update them for your new payment amount.

# 12.If I wish to cancel my policy, what steps do I take?

We encourage you to keep this important coverage. There may be options available for you to reduce your benefits in order to keep your premium at approximately the same amount as before the premium increase. You may also be able to exercise an option which would provide a paid up policy with a shortened benefit period. We encourage you to consult with your family, your insurance agent, or financial advisor before making a decision to reduce or cancel your coverage. If you choose to cancel your policy, we will be happy to do so upon receipt of your signed and dated request.

# 13. Whom can I contact with questions?

Before you make any changes, we strongly encourage you to contact one of our customer service representatives at [800.789.6896], weekdays from [8:00 a.m. to 5:00 p.m. CST]. They can provide you with details about your options, and help you determine how changes to your long term care insurance coverage will impact your benefits and premium payments. You can also contact us or your Allianz agent for help with the change request form. We value the trust you've placed in us, and we're here to help.



### Allianz Life Insurance Company of North America Statement of Variability 5/18/2016

Variable material is denoted by the use of brackets. This Policyholder Letter will be mailed to communicate the effects of the rate increase as well as policyholder options.

**GP2 Policyholder Notification Letter (S2280-VA)** 

| Variable           | Minimum      | Maximum      | Current               | Effective | Comments   |
|--------------------|--------------|--------------|-----------------------|-----------|--|
| Font               | N/A          | N/A          | Times New             | N/A       | Font displayed on final forms may vary due to printer configurations. Font sizing and layout   |
|                    |              |              | Roman                 |           | will not change. If we opt to use a different font that is not a state-recognized font, we will prepare and submit any required filings at the time of the change. |
| Date               | N/A          | N/A          | N/A - Policy          | N/A       | Policy Specific  |
| Owner First Name   |              | - "          | Specific              |           |  |
| Owner Middle Name  |              |              |                       |           |  |
| Owner Last Name    |              |              |                       |           |  |
| Owner Address L1   |              |              |                       |           |  |
| Owner Address L2   |              |              |                       |           |  |
| Owner City         |              |              |                       |           |  |
| Owner State        |              |              |                       |           |  |
| Owner Zip          |              |              |                       |           |  |
| Owner Zip Rest     |              |              |                       |           |  |
| Policy Number      |              |              |                       |           |  |
| Overall Increase % | 0%           | 999%         | N/A - Policy          | N/A       | Aggregate new rate increase for the policy. Note that this will only reflect rate increase   |
|                    |              |              | Specific              |           | percentages approved by the Virginia BOI.  |
| Billed Premium     | \$0.00       | \$999,999.99 | N/A - Policy          | N/A       | Current modal premium for the policy   |
| 711176             | 77/          |              | Specific              | 27/1      |  |
| Bill Mode          | N/A          | N/A          | N/A - Policy          | N/A       | The current Bill Mode of the policy (e.g. Annually, Semi-annually, Quarterly, Monthly,   |
|                    | 2/17/2016    | 12/2/2/2/2   | Specific              | 27/1      | etc).  |
| anniversary1       | 3/17/2016    | 12/31/2100   | N/A - Policy          | N/A       | Policy anniversary when phase 1 of the rate increase will be effective   |
| 1'', 1 1 '11' 1    | <b>#0.00</b> | Φ000 000 00  | Specific              | NT/A      | M 11 ' C 1 1 C 1 ' '   |
| adj'd billing1     | \$0.00       | \$999,999.99 | N/A - Policy          | N/A       | Modal premium after phase 1 of the rate increase.  |
| Call Center Phone  | NT/A         | N/A          | Specific 800.789.6896 | N/A       | Dhana ann han fan ann anntannan annias gannacantations anhigh gann abana   |
| Number             | N/A          | IN/A         | 800.789.0890          | N/A       | Phone number for our customer service representatives, which may change  |
| Return of Premium  | N/A          | N/A          | or Return of          | N/A       | Benefit rider that may be available to a policyholder; however, as this benefit is not   |
| Rider              | IN/A         | IN/A         | Premium Rider         | N/A       | available in Virginia this benefit rider will not appear in any communication addressed to   |
| Kiuci              |              |              | r reillium Kidei      |           | Virginia policyholders.  |
| Call Center Open   | N/A          | N/A          | 8:00 a.m. to 5:00     | N/A       | Opening times for our customer service representatives, which may change   |
| Times              | - 1/1 -      |              | p.m. CST              | - "       |  |
| Individual's name  | N/A          | N/A          | Stephen Kennedy       | N/A       | Name may change  |



| Individual's title  | N/A | N/A | Senior Vice<br>President of<br>Operations | N/A | Title may change   |
|---|-----|-----|---|-----|--|
| cc:<br>Agent First Name<br>Agent Middle Name<br>Agent Last Name | N/A | N/A | N/A - Policy<br>Specific                  | N/A | If the policyholder does not have an active agent on record, then we will not print these fields.  If the policyholder does have an active agent on record, then we will print these fields based on policy-specific data.   |
| Partnership status  | N/A | N/A | N/A - Policy<br>Specific                  | N/A | If the policy does not have partnership status, then this line will not print.  If the policy has partnership status, then the following line will print:  (Additionally, please note that some benefit reduction options may result in a loss in Virginia state partnership status, which may reduce policyholder protections.)   |
| COLA Reduction<br>Message                                       | N/A | N/A | N/A - Policy<br>Specific                  | N/A | If the policy does not have a COLA rider, this entire bullet will not be printed.  If the policy does have a COLA rider, the following will be printed (note there is additional variation bracketed below)  • Until [COLA Vesting Date], you may cancel the [COLA Rider] while keeping the rider's accrued benefit increase percentages as of the time of cancellation. After the rider is cancelled, the applicable benefit amount(s) will no longer increase. [You also have the option to exchange the [COLA Rider] for [the 4% Lifetime Compound Benefit Increase Rider,] the 3% Lifetime Compound Benefit Increase Rider[, or the Simple Benefit Increase Rider].] Note that this offer is only available if we receive written notice requesting the change before [COLA Vesting Date]. [Also, [reducing or] cancelling the [COLA Rider] may result in a loss of your state partnership status, which may reduce policyholder protections.]  Note that policyholders could have one of the following riders:  5% Lifetime Compound Benefit Increase Rider  4% Lifetime Compound Benefit Increase Rider  Simple Benefit Increase Rider  Two Times Compound Benefit Increase Rider  Two Times Compound Plus Rider |
| COLA Vesting Date   | N/A | N/A | N/A - Policy<br>Specific                  | N/A | The date until which the COLA vesting options under COLA Reduction Message are available to the policyholder.  (Note: This will only print if COLA Reduction Message prints.)  |



| COLA Rider                     | N/A | N/A | N/A - Policy<br>Specific | N/A | The current COLA rider attached to the policy. Policyholders could have one of the following riders:  5% Lifetime Compound Benefit Increase Rider  4% Lifetime Compound Benefit Increase Rider  3% Lifetime Compound Benefit Increase Rider  Simple Benefit Increase Rider  Two Times Compound Benefit Increase Rider  Two Times Compound Plus Rider  |
|--------------------------------|-----|-----|--------------------------|-----|---|
| COLA Rider<br>Exchange Message | N/A | N/A | N/A - Policy<br>Specific | N/A | (Note: This will only print if COLA Reduction Message prints.)  If the policy has a 5% Lifetime Compound Benefit Increase Rider, we will print the following message: You also have the option to exchange the 5% Lifetime Compound Benefit Increase Rider for the 4% Lifetime Compound Benefit Increase Rider, the 3% Lifetime Compound Benefit Increase Rider, or the Simple Benefit Increase Rider.  If the policy has a 4% Lifetime Compound Benefit Increase Rider, we will print the following message: You also have the option to exchange the 4% Lifetime Compound Benefit Increase Rider for the 3% Lifetime Compound Benefit Increase Rider.  If the policy does not have either the 5% Lifetime Compound Benefit Increase Rider or the  |
| COLA Partnership status        | N/A | N/A | N/A - Policy<br>Specific | N/A | 4% Lifetime Compound Benefit Increase Rider, then this message will not print.  If the policy either does not have partnership status, or does not have a COLA rider, this message will not print.  If the policy has partnership status, and either the 5% Lifetime Compound Benefit Increase Rider or the 4% Lifetime Compound Benefit Increase Rider then we will print (note there is additional variation bracketed below)  Also, reducing or cancelling the [COLA Rider] may result in a loss of your state partnership status, which may reduce policyholder protections.  If the policy has partnership status, but has a COLA rider apart from the 5% Lifetime Compound Benefit Increase Rider or the 4% Lifetime Compound Benefit Increase Rider then we will print (note there is additional variation bracketed below)  Also, cancelling the [COLA Rider] may result in a loss of your state partnership status, which may reduce policyholder protections. |
| Latest Election Date           | N/A | N/A | N/A - Policy<br>Specific | N/A | The date until which the options under the Premium Increase Contingent Upon Lapse Rider are available to the policyholder.  |

Allianz Life Insurance Company of North America PO Box 59060 Minneapolis, MN 55459-0060 [800.789.6896]



[Date]

[Owner First Name] [Owner Middle Name] [Owner Last Name] [Owner Address L1] [Owner Address L2] [Owner City], [Owner State] [Owner Zip] [Owner Zip Rest]

[Policy Number]

Important notice of increase in your long term care insurance premium with time-sensitive options

Dear [Owner First Name] [Owner Last Name],

At Allianz Life Insurance Company of North America, our highest priority is fulfilling our commitments to our policyholders. To this end, we periodically compare the initial premium projections we made on our long term care policies to our actual claims experience. During a recent review we determined that we need to increase the premium rates on our long term care policies.

We want you to know that we took this decision very seriously and weighed several options before filing a [Overall Increase %] premium rate increase. We assure you that this premium increase applies to classes of our long term care policies in aggregate, and does not in any way reflect an individual policyholder's age, health status, or claim activity.

We also want you to know that the Virginia State Corporation Commission reviewed this rate increase and found it to be compliant with applicable Virginia laws and regulations. You can review this and all premiumrate filings online at www.scc.virginia.gov/BOI.

# Your premium increase

Based on your current benefits, the premium rate increase will raise your current premium of [Billed Premium] [Bill Mode] to [adj'd billing1] [Bill Mode], effective with your first bill on or after [anniversary1].

Please note that recent changes to your policy may not be reflected in the premium rate above. For up-to-date information about your current premium and benefit levels, you can request a current policy schedule from Allianz by contacting us at [800.789.6896]. Please also be aware that premium rates could change again in the future. In the event of a future rate increase, you'll have options similar to those we describe in the next section.

# Your options

We understand that this premium increase may significantly impact some of our policyholders. That's why we're offering the flexibility to choose among the following options, which we discuss in more detail in the enclosed Frequently Asked Questions (FAQs):

| <b>A. Maintain your current benefit amounts</b> by paying the increased premium.                 |
|--|
| B. Lessen the impact of the rate increase on your premiums through benefit reduction(s) or rider |
| cancellation(s).   |
| C. Elect the paid-up option in the attached Premium Increase Contingent Benefit Upon Lapse Rider |
| with a reduced Maximum Lifetime Benefit or Benefit Amount.                                       |
| D. Convert your contract to paid-up coverage with a reduced Maximum Lifetime Benefit or Benefit  |
| Amount available through a Non-Forfeiture Rider or Return of Premium Rider that may be included  |
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If you wish to elect options B, C, or D, please complete the enclosed coverage change request form and return it to us. Please be aware that the options listed above may not be of equal value and some may have time limitations. For more details, please see Question 4 in the attached FAQs. We encourage you to contact us or your financial professional to help determine which may be suitable for your needs.

## We're here to help

Before you make any changes, we strongly encourage you to contact one of our customer service representatives at [800.789.6896], weekdays from [8:00 a.m. to 5:00 p.m. CST]. They can provide you with details about your options, and help you determine how changes to your long term care insurance coverage will impact your benefits and premium payments. You can also contact us or your Allianz agent for help with the change request form. We value the trust you've placed in us, and we're here to help.

Sincerely,

[Individual's name] [Individual's title]

NOTE: This letter is not a bill. Please retain a copy of this letter with your policy for future reference.

Enclosed: Coverage Change Request Form

Premium Increase Contingent Benefit Upon Lapse Rider Premium Increase Contingent Benefit Upon Lapse Rider Schedule Benefit Change Endorsement

[cc:] [Agent First Name] [Agent Middle Name] [Agent Last Name]

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Products are issued by Allianz Life Insurance Company of North America, 5701 Golden Hills Drive, Minneapolis, MN 55416-1297. [800.789.6896]

## **Frequently asked questions**

## 1. Why are rates increasing?

When Allianz designed its long term care (LTC) insurance products several years ago, we based your initial premium on actuarial assumptions, which used the best information available to us at that time. Since then we've continually monitored our LTC policies to compare those initial projections against our actual claim experience. During a recent review we determined that, due to a combination of factors we outline below, we need to increase the premium rates on our long term care policies.

We realize the rate increase is difficult for our policyholders, and assure you that we considered all of our options very carefully before increasing your premium. We also want to reassure you that this premium increase applies to classes of our long term care policies in aggregate, and does not in any way reflect an individual policyholder's age, health status, or claim activity. Your class is determined by which benefit increase rider is attached to your policy. In your case, you have the [COLA Rider] attached to your policy.

#### 2. How was the rate increase amount determined?

LTC insurance rates are affected by many complex factors including the rising cost of health care, interest rates, the number of people who continue coverage, how many policyholders collect benefits, and for how long. Policyholders are using more benefits than our actuaries anticipated when they originally priced our long term care policies. Based on our experience – and new expectations – we need to adjust premiums to ensure adequate funding to pay current and anticipated future claims.

Once we determine that a proposed premium rate increase is necessary, we submit the information along with supporting data through an approval process with your state's insurance regulators. The state provides an independent perspective that is crucial in establishing an increase amount that balances the needs of our policyholders and our company. Ultimately, the state approves an increase that considers all of the factors noted above.

# 3. Did my state approve my rate increase?

Yes. When we submit a rate increase request to a state, the submission includes an actuarial justification discussing the reasonableness of the relationship between premiums charged and expected benefit payments. Each state conducts its own review of the submission and determines whether the state-specific rate increase is warranted, and in what amount. This process is designed to prevent premiums in one state being increased to cover insufficient premiums in another state.

# 4. What are my options?

To help ease the impact of this rate increase, we're offering our policyholders several options. Please see the enclosed Coverage Change Request form for more details:

- A. Maintain your current benefit amounts by paying the increased premium.
- B. Lessen the impact of the rate increase on your premiums through benefit reduction(s) or rider cancellation(s) that may fully or partially offset the premium increase. [(Additionally, please note that some benefit reduction options may result in a loss in Virginia state partnership status, which may reduce policyholder protections.)]
  - Reduce benefit amounts and/or benefit periods, or increase your Elimination Period. Please note: Benefit amounts or periods must not be less than any minimum policy requirements.
  - Cancel optional riders that you purchased with your policy. Please refer to the specific riders attached to your policy for additional details regarding the rider terms. [

- Until [COLA Vesting Date], you may cancel the [COLA Rider] while keeping the rider's accrued benefit increase percentages as of the time of cancellation. After the rider is cancelled, the applicable benefit amount(s) will no longer increase. [You also have the option to exchange the [COLA Rider] for [the 4% Lifetime Compound Benefit Increase Rider,] the 3% Lifetime Compound Benefit Increase Rider[, or the Simple Benefit Increase Rider].] Note that this offer is only available if we receive written notice requesting the change before [COLA Vesting Date]. [Also, [reducing or] cancelling the [COLA Rider] may result in a loss of your state partnership status, which may reduce policyholder protections.]]
- C. Elect the paid-up option in the attached Premium Increase Contingent Benefit Upon Lapse Rider with a reduced Maximum Lifetime Benefit or Benefit Amount. See the specific rider attached to your policy for details. Please note that we must receive your request prior to [Latest Election Date]. There is no charge for this rider. However, because this paid-up option starts on your upcoming anniversary date, you must continue paying premiums up to that policy anniversary date.
- D. Convert your contract to paid-up coverage with a reduced Maximum Lifetime Benefit or Benefit Amount by electing options through a Non-Forfeiture Rider or Return of Premium Rider that may be included with your policy. Premiums will no longer be required after the start of the paid-up coverage. Please refer to the specific rider attached to your policy for additional details regarding the rider terms.

Please note that the options listed above may not be of equal value. We encourage you to contact us or your financial professional to help determine which may be suitable for your needs.

## 5. When is the premium increase effective?

Please see the enclosed Premium Increase Contingent Benefit Upon Lapse Rider Schedule.

### 6. How much time do I have to make a decision?

Some of the options available to you are time-sensitive. Please note any dates listed in Question 4, What are my options, listed above. We would advise that you make a decision prior to your upcoming policy anniversary on [anniversary1].

# 7. The letter states that "premium rates could change again in the future." What does this mean?

It is possible there will be additional rate increases in the future. An increase will only occur if we can demonstrate additional premium amounts are needed to sustain the policies, and then the increase would need to be filed with state insurance regulators for approval.

Keep in mind that the rate increase will not change your policy's benefits. As long as you continue paying full premiums, your policy will remain in effect and unchanged. Note that your benefits would decrease if you make changes to your policy, such as by reducing your benefits, or by electing reduced paid-up coverage.

# 8. I've never filed a claim. Why am I getting a rate increase?

This premium increase applies to classes of our long term care policies in aggregate, and does not in any way reflect an individual policyholder's age, health status, or claim activity. Your class is determined by which benefit increase rider is attached to your policy. In your case, you have the [COLA Rider] attached to your policy.

# 9. I am currently on claim. Am I affected by this rate increase?

If you are currently in claim status and not paying premiums because of a Waiver of Premium provision in your policy, you do not need to pay the increased premium yet. Once you are no longer in claim status and premiums are due, you will need to pay the increased premium to maintain your coverage. If your policy does not provide for a Waiver of Premium benefit, you will be required to pay the increased premium.

## 10. Will policies with a 10-pay rider be impacted?

The increase will impact only the remaining premiums in your 10-year premium paying period. Once the policy is fully paid-up, the policyholder has no further premium obligations.

# 11. What if I use EFT or an automatic online (or third-party) accounts to pay my premium?

Please make sure that your premium payments are updated for your new premium rate. Otherwise your policy could lapse if we don't receive the full premium amount. Below are some additional considerations for the payment of your new premiums.

- If you pay your premiums with an EFT from your bank account, this notification requires timesensitive decisions that may affect the amount of your EFT bank withdrawal.
  - o If you scheduled your draft to occur prior to your upcoming anniversary for the premiums due on or after your anniversary, we'll apply the increased premium to that scheduled draft unless you request a change in coverage as described in this notification.
  - o If you do not want the increase to apply to your EFT, please contact us to remove your premium payment from EFT and change to direct bill.
  - o If you choose the Reduced Paid Up Option, no further premium payments will be due after your anniversary date and the EFT draft will be discontinued at that time.
- If you pay your premiums using automatic online (or third-party) accounts, please update them for your new payment amount.

# 12.If I wish to cancel my policy, what steps do I take?

We encourage you to keep this important coverage. There may be options available for you to reduce your benefits in order to keep your premium at approximately the same amount as before the premium increase. You may also be able to exercise an option which would provide a paid up policy with a shortened benefit period. We encourage you to consult with your family, your insurance agent, or financial advisor before making a decision to reduce or cancel your coverage. If you choose to cancel your policy, we will be happy to do so upon receipt of your signed and dated request.

# 13. Whom can I contact with questions?

Before you make any changes, we strongly encourage you to contact one of our customer service representatives at [800.789.6896], weekdays from [8:00 a.m. to 5:00 p.m. CST]. They can provide you with details about your options, and help you determine how changes to your long term care insurance coverage will impact your benefits and premium payments. You can also contact us or your Allianz agent for help with the change request form. We value the trust you've placed in us, and we're here to help.

# VIRGINIA READABILITY COMPLIANCE CERTIFICATION

For use with policy forms submitted on or after July 1, 1982

| Name and Address of Insurer            | Allianz Life Insurance Company of North America<br>5701 Golden Hills Drive<br>Minneapolis, MN 55416-1297  |
|--|---|
| Title of Form Policyholder Rate Increa | ase Notification Letter   |
| Policy Form Number <u>\$2280-VA</u>    |   |
| •                                      | reading ease score of the above policy form is $\{50}$ . It contains and $_{3,896}$ syllables. The type size of the text of the policy forms is eaded.                          |
| Section 38.2-3404 of the Code of \     | knowledge and belief that the policy form is in compliance with<br>/irginia and with the Rules and Regulations for Simplified and<br>surance Policies adopted pursuant thereto. |
| STIF                                   | Signature of an Officer of the Insurer  |
| Steve Thiel                            | Name (Print)  |
| Vice President Actuary                 | Title   |
| 4/7.6/1/2                              | Data  |



## Allianz Life Insurance Company of North America Statement of Variability 3/17/2016

Variable material is denoted by the use of brackets. This Policyholder Letter will be mailed to communicate the effects of the rate increase as well as policyholder options.

### **GP2 Policyholder Notification Letter (S2280-VA)**

| Variable           | Minimum   | Maximum      | Current           | Effective | Comments  |
|--------------------|-----------|--------------|-------------------|-----------|---|
| Font               | N/A       | N/A          | Times New         | N/A       | Font displayed on final forms may vary due to printer configurations. Font sizing and layout    |
|                    |           |              | Roman             |           | will not change. If we opt to use a different font that is not a state-recognized font, we will |
|                    |           |              |                   |           | prepare and submit any required filings at the time of the change.                              |
| Date               | N/A       | N/A          | N/A - Policy      | N/A       | Policy Specific   |
| Owner First Name   |           |              | Specific          |           |   |
| Owner Middle Name  |           |              |                   |           |   |
| Owner Last Name    |           |              |                   |           |   |
| Owner Address L1   |           |              |                   |           |   |
| Owner Address L2   |           |              |                   |           |   |
| Owner City         |           |              |                   |           |   |
| Owner State        |           |              |                   |           |   |
| Owner Zip          |           |              |                   |           |   |
| Owner Zip Rest     |           |              |                   |           |   |
| Policy Number      |           |              |                   |           |   |
| Overall Increase % | 0%        | 999%         | N/A - Policy      | N/A       | Aggregate new rate increase for the policy. Note that this will only reflect rate increase      |
|                    |           |              | Specific          |           | percentages approved by the Virginia BOI.   |
| Billed Premium     | \$0.00    | \$999,999.99 | N/A - Policy      | N/A       | Current modal premium for the policy  |
|                    |           |              | Specific          |           |   |
| Bill Mode          | N/A       | N/A          | N/A - Policy      | N/A       | The current Bill Mode of the policy (e.g. Annually, Semi-annually, Quarterly, Monthly,          |
|                    |           |              | Specific          |           | etc).   |
| anniversary1       | 3/17/2016 | 12/31/2100   | N/A - Policy      | N/A       | Policy anniversary when phase 1 of the rate increase will be effective                          |
|                    |           |              | Specific          |           |   |
| adj'd billing1     | \$0.00    | \$999,999.99 | N/A - Policy      | N/A       | Modal premium after phase 1 of the rate increase.   |
|                    |           |              | Specific          |           |   |
| Call Center Phone  | N/A       | N/A          | 800.789.6896      | N/A       | Phone number for our customer service representatives, which may change                         |
| Number             |           |              |                   |           |   |
| Call Center Open   | N/A       | N/A          | 8:00 a.m. to 5:00 | N/A       | Opening times for our customer service representatives, which may change                        |
| Times              |           |              | p.m. CST          |           |   |
| Individual's name  | N/A       | N/A          | Stephen Kennedy   | N/A       | Name may change   |
| Individual's title | N/A       | N/A          | Senior Vice       | N/A       | Title may change  |
|                    |           |              | President of      |           |   |
|                    |           |              | Operations        |           |   |



| cc:<br>Agent First Name<br>Agent Middle Name<br>Agent Last Name | N/A | N/A | N/A - Policy<br>Specific | N/A | If the policyholder does not have an active agent on record, then we will not print these fields.  If the policyholder does have an active agent on record, then we will print these fields based on policy-specific data.   |
|---|-----|-----|--------------------------|-----|--|
| Partnership status  | N/A | N/A | N/A - Policy<br>Specific | N/A | If the policy does not have partnership status, then this line will not print.  If the policy has partnership status, then the following line will print:  (Additionally, please note that some benefit reduction options may result in a loss in Virginia state partnership status, which may reduce policyholder protections.)   |
| COLA Reduction<br>Message                                       | N/A | N/A | N/A - Policy<br>Specific | N/A | If the policy does not have a COLA rider, this entire bullet will not be printed.  If the policy does have a COLA rider, the following will be printed (note there is additional variation bracketed below)  • Until [COLA Vesting Date], you may cancel the [COLA Rider] while keeping the rider's accrued benefit increase percentages as of the time of cancellation. After the rider is cancelled, the applicable benefit amount(s) will no longer increase. [You also have the option to exchange the [COLA Rider] for [the 4% Lifetime Compound Benefit Increase Rider,] the 3% Lifetime Compound Benefit Increase Rider[, or the Simple Benefit Increase Rider].] Note that this offer is only available if we receive written notice requesting the change before [COLA Vesting Date]. [Also, [reducing or] cancelling the [COLA Rider] may result in a loss of your state partnership status, which may reduce policyholder protections.]  Note that policyholders could have one of the following riders:  5% Lifetime Compound Benefit Increase Rider  4% Lifetime Compound Benefit Increase Rider  Simple Benefit Increase Rider  Two Times Compound Benefit Increase Rider  Two Times Compound Plus Rider |
| COLA Vesting Date   | N/A | N/A | N/A - Policy<br>Specific | N/A | The date until which the COLA vesting options under COLA Reduction Message are available to the policyholder.  (Note: This will only print if COLA Reduction Message prints.)  |
| COLA Rider  | N/A | N/A | N/A - Policy<br>Specific | N/A | The current COLA rider attached to the policy. Policyholders could have one of the following riders:  5% Lifetime Compound Benefit Increase Rider  4% Lifetime Compound Benefit Increase Rider  3% Lifetime Compound Benefit Increase Rider  Simple Benefit Increase Rider  Two Times Compound Benefit Increase Rider  Two Times Compound Plus Rider  (Note: This will only print if COLA Reduction Message prints.)   |



| COLA Rider<br>Exchange Message | N/A | N/A | N/A - Policy<br>Specific | N/A | If the policy has a 5% Lifetime Compound Benefit Increase Rider, we will print the following message:  You also have the option to exchange the 5% Lifetime Compound Benefit Increase Rider for the 4% Lifetime Compound Benefit Increase Rider, the 3% Lifetime Compound Benefit Increase Rider.  If the policy has a 4% Lifetime Compound Benefit Increase Rider, we will print the following message:  You also have the option to exchange the 4% Lifetime Compound Benefit Increase Rider for the 3% Lifetime Compound Benefit Increase Rider.  If the policy does not have either the 5% Lifetime Compound Benefit Increase Rider or the 4% Lifetime Compound Benefit Increase Rider, then this message will not print.   |
|--------------------------------|-----|-----|--------------------------|-----|---|
| COLA Partnership status        | N/A | N/A | N/A - Policy<br>Specific | N/A | If the policy either does not have partnership status, or does not have a COLA rider, this message will not print.  If the policy has partnership status, and either the 5% Lifetime Compound Benefit Increase Rider or the 4% Lifetime Compound Benefit Increase Rider then we will print (note there is additional variation bracketed below)  Also, reducing or cancelling the [COLA Rider] may result in a loss of your state partnership status, which may reduce policyholder protections.  If the policy has partnership status, but has a COLA rider apart from the 5% Lifetime Compound Benefit Increase Rider or the 4% Lifetime Compound Benefit Increase Rider then we will print (note there is additional variation bracketed below)  Also, cancelling the [COLA Rider] may result in a loss of your state partnership status, which may reduce policyholder protections. |
| Latest Election Date           | N/A | N/A | N/A - Policy<br>Specific | N/A | The date until which the options under the Premium Increase Contingent Upon Lapse Rider are available to the policyholder.  |

Allianz Life Insurance Company of North America PO Box 59060 Minneapolis, MN 55459-0060 [800.789.6896]



[Date]

[Owner First Name] [Owner Middle Name] [Owner Last Name] [Owner Address L1] [Owner Address L2] [Owner City], [Owner State] [Owner Zip] [Owner Zip Rest]

[Policy Number]

Important notice of increase in your long term care insurance premium with time-sensitive options

Dear [Owner First Name] [Owner Last Name],

At Allianz Life Insurance Company of North America, our highest priority is fulfilling our commitments to our policyholders. To this end, we periodically compare the initial premium projections we made on our long term care policies to our actual claims experience. During a recent review we determined that we need to increase the premium rates on our long term care policies.

We want you to know that we took this decision very seriously and weighed several options before filing a [Overall Increase %] premium rate increase. We assure you that this premium increase applies to classes of our long term care policies in aggregate, and does not in any way reflect an individual policyholder's age, health status, or claim activity.

We also want you to know that the Virginia Bureau of Insurance reviewed this rate increase and found it to be compliant with applicable Virginia laws and regulations. You can review this and all premium-rate filings online at www.scc.virginia.gov/BOI.

# Your premium increase

Based on your current benefits, the premium rate increase will raise your current premium of [Billed Premium] [Bill Mode] to [adj'd billing1] [Bill Mode], effective with your first bill on or after [anniversary1].

Please note that recent changes to your policy may not be reflected in the premium rate above. For the most up-to-date information, please request a current policy schedule from Allianz. Please also be aware that premium rates could change again in the future. In the event of a future rate increase, you'll have options similar to those we describe in the next section.

## Your options

We understand that this premium increase may significantly impact some of our policyholders. That's why we're offering the flexibility to choose among the following options, which we discuss in more detail in the enclosed Frequently Asked Questions (FAQs):

| <b>A. Maintain your current benefit amounts</b> by paying the increased premium.                 |
|--|
| B. Lessen the impact of the rate increase on your premiums through benefit reduction(s) or rider |
| cancellation(s).   |
| C. Elect the paid-up option in the attached Premium Increase Contingent Benefit Upon Lapse Rider |
| with a reduced Maximum Lifetime Benefit or Benefit Amount.                                       |
| D. Convert your contract to paid-up coverage with a reduced Maximum Lifetime Benefit or Benefit  |
| Amount available through a Non-Forfeiture Rider or Return of Premium Rider that may be included  |
| with your policy.  |
|  |

If you wish to elect options B, C, or D, please complete the enclosed coverage change request form and return it to us. Please be aware that the options listed above may not be of equal value and some may have time limitations. For more details, please see Question 4 in the attached FAQs. We encourage you to contact us or your financial professional to help determine which may be suitable for your needs.

## We're here to help

Before you make any changes, we strongly encourage you to contact one of our customer service representatives at [800.789.6896], weekdays from [8:00 a.m. to 5:00 p.m. CST]. They can provide you with details about your options, and help you determine how changes to your long term care insurance coverage will impact your benefits and premium payments. You can also contact us or your Allianz agent for help with the change request form. We value the trust you've placed in us, and we're here to help.

Sincerely,

[Individual's name] [Individual's title]

NOTE: This letter is not a bill. Please retain a copy of this letter with your policy for future reference.

Enclosed: Coverage Change Request Form

Premium Increase Contingent Benefit Upon Lapse Rider Premium Increase Contingent Benefit Upon Lapse Rider Schedule Benefit Change Endorsement

[cc:] [Agent First Name] [Agent Middle Name] [Agent Last Name]

Guarantees are backed by the financial strength of Allianz Life Insurance Company of North America.

Products are issued by Allianz Life Insurance Company of North America, 5701 Golden Hills Drive, Minneapolis, MN 55416-1297. [800.789.6896]

# **Frequently asked questions**

## 1. Why are rates increasing?

When Allianz designed its long term care (LTC) insurance products several years ago, we based your initial premium on actuarial assumptions, which used the best information available to us at that time. Since then we've continually monitored our LTC policies to compare those initial projections against our actual claim experience. During a recent review we determined that, due to a combination of factors we outline below, we need to increase the premium rates on our long term care policies.

We realize the rate increase is difficult for our policyholders, and assure you that we considered all of our options very carefully before increasing your premium. We also want to reassure you that this premium increase applies to classes of our long term care policies in aggregate, and does not in any way reflect an individual policyholder's age, health status, or claim activity. Your class is determined by which benefit increase rider is attached to your policy. In your case, you have the [COLA Rider] attached to your policy.

#### 2. How was the rate increase amount determined?

LTC insurance rates are affected by many complex factors including the rising cost of health care, interest rates, the number of people who continue coverage, how many policyholders collect benefits, and for how long.

Once we determine that a proposed premium rate increase is necessary, we submit the information along with supporting data through an approval process with your state's insurance regulators. The state provides an independent perspective that is crucial in establishing an increase amount that balances the needs of our policyholders and our company. Ultimately, the state approves an increase that considers all of the factors noted above.

# 3. Did my state approve my rate increase?

Yes. When we submit a rate increase request to a state, the submission includes an actuarial justification discussing the reasonableness of the relationship between premiums charged and expected benefit payments. Each state conducts its own review of the submission and determines whether the state-specific rate increase is warranted, and in what amount. This process is designed to prevent premiums in one state being increased to cover insufficient premiums in another state. We also want you to know that we do not request rate increases in a state when premiums are sufficient to cover the projected cost of the benefits for that particular state.

# 4. What are my options?

To help ease the impact of this rate increase, we're offering our policyholders several options. Please see the enclosed Coverage Change Request form for more details:

- A. Maintain your current benefit amounts by paying the increased premium.
- B. Lessen the impact of the rate increase on your premiums through benefit reduction(s) or rider cancellation(s) that may fully or partially offset the premium increase. [(Additionally, please note that some benefit reduction options may result in a loss in Virginia state partnership status that, which may reduce policyholder protections.)]
  - Reduce benefit amounts and/or benefit periods, or increase your Elimination Period. Please note: Benefit amounts or periods must not be less than any minimum policy requirements.
  - Cancel optional riders that you purchased with your policy. Please refer to the specific riders attached to your policy for additional details regarding the rider terms. [

- Until [COLA Vesting Date], you may cancel the [COLA Rider] while keeping the rider's accrued benefit increase percentages as of the time of cancellation. After the rider is cancelled, the applicable benefit amount(s) will no longer increase. [You also have the option to exchange the [COLA Rider] for [the 4% Lifetime Compound Benefit Increase Rider,] the 3% Lifetime Compound Benefit Increase Rider[, or the Simple Benefit Increase Rider].] Note that this offer is only available if we receive written notice requesting the change before [COLA Vesting Date]. [Also, [reducing or] cancelling the [COLA Rider] may result in a loss of your state partnership status, which may reduce policyholder protections.]]
- C. Elect the paid-up option in the attached Premium Increase Contingent Benefit Upon Lapse Rider with a reduced Maximum Lifetime Benefit or Benefit Amount. See the specific rider attached to your policy for details. Please note that we must receive your request prior to [Latest Election Date]. There is no charge for this rider. However, because this paid-up option starts on your upcoming anniversary date, you must continue paying premiums up to that policy anniversary date.
- D. Convert your contract to paid-up coverage with a reduced Maximum Lifetime Benefit or Benefit Amount by electing options through a Non-Forfeiture Rider or Return of Premium Rider that may be included with your policy. Premiums will no longer be required after the start of the paid-up coverage. Please refer to the specific rider attached to your policy for additional details regarding the rider terms.

Please note that the options listed above may not be of equal value. We encourage you to contact us or your financial professional to help determine which may be suitable for your needs.

## 5. When is the premium increase effective?

Please see the enclosed Premium Increase Contingent Benefit Upon Lapse Rider Schedule.

### 6. How much time do I have to make a decision?

Some of the options available to you are time-sensitive. Please note any dates listed in Question 4, What are my options, listed above. We would advise that you make a decision prior to your upcoming policy anniversary on [anniversary1].

# 7. The letter states that "premium rates could change again in the future." What does this mean?

It is possible there will be additional rate increases in the future. An increase will only occur if we can demonstrate additional premium amounts are needed to sustain the policies, and then the increase would need to be filed with state insurance regulators for approval.

Keep in mind that the rate increase will not change your policy's benefits. As long as you continue paying full premiums, your policy will remain in effect and unchanged. Note that your benefits would decrease if you make changes to your policy, such as by reducing your benefits, or by electing reduced paid-up coverage.

# 8. I've never filed a claim. Why am I getting a rate increase?

This premium increase applies to classes of our long term care policies in aggregate, and does not in any way reflect an individual policyholder's age, health status, or claim activity. Your class is determined by which benefit increase rider is attached to your policy. In your case, you have the [COLA Rider] attached to your policy.

# 9. I am currently on claim. Am I affected by this rate increase?

If you are currently in claim status and not paying premiums because of a Waiver of Premium provision in your policy, you do not need to pay the increased premium yet. Once you are no longer in claim status and premiums are due, you will need to pay the increased premium to maintain your coverage. If your policy does not provide for a Waiver of Premium benefit, you will be required to pay the increased premium.

## 10. Will policies with a 10-pay rider be impacted?

The increase will impact only the remaining premiums in your 10-year premium paying period. Once the policy is fully paid-up, the policyholder has no further premium obligations.

# 11. What if I use EFT or an automatic online (or third-party) accounts to pay my premium?

Please make sure that your premium payments are updated for your new premium rate. Otherwise your policy could lapse if we don't receive the full premium amount. Below are some additional considerations for the payment of your new premiums.

- If you pay your premiums with an EFT from your bank account, this notification requires timesensitive decisions that may affect the amount of your EFT bank withdrawal.
  - o If you scheduled your draft to occur prior to your upcoming anniversary for the premiums due on or after your anniversary, we'll apply the increased premium to that scheduled draft unless you request a change in coverage as described in this notification.
  - o If you do not want the increase to apply to your EFT, please contact us to remove your premium payment from EFT and change to direct bill.
  - o If you choose the Reduced Paid Up Option, no further premium payments will be due after your anniversary date and the EFT draft will be discontinued at that time.
- If you pay your premiums using automatic online (or third-party) accounts, please update them for your new payment amount.

# 12.If I wish to cancel my policy, what steps do I take?

We encourage you to keep this important coverage. There may be options available for you to reduce your benefits in order to keep your premium at approximately the same amount as before the premium increase. You may also be able to exercise an option which would provide a paid up policy with a shortened benefit period. We encourage you to consult with your family, your insurance agent, or financial advisor before making a decision to reduce or cancel your coverage. If you choose to cancel your policy, we will be happy to do so upon receipt of your signed and dated request.

# 13. Whom can I contact with questions?

Before you make any changes, we strongly encourage you to contact one of our customer service representatives at [800.789.6896], weekdays from [8:00 a.m. to 5:00 p.m. CST]. They can provide you with details about your options, and help you determine how changes to your long term care insurance coverage will impact your benefits and premium payments. You can also contact us or your Allianz agent for help with the change request form. We value the trust you've placed in us, and we're here to help.

## Allianz Life Insurance Company of North America

# Home Office: 5701 Golden Hills Drive Minneapolis, MN 55416-1297

## Actuarial Memorandum Supporting 60% Aggregate Premium Rate Increase On Individual Long-Term Care Insurance Policy Forms

#### 1. TYPE OF CHANGE

Allianz Life Insurance Company of North America (Company) proposes the following rate revisions for these riders (collectively referred to as COLA riders) attached to the following policy forms issued in Virginia.

Generation Protector II Policy Form Series: 11-P-Q-VA

11-R3 5% LIFETIME COMPOUND BENEFIT INCREASE RIDER – 80% rate increase

11-R2 4% LIFETIME COMPOUND BENEFIT INCREASE RIDER – 70% rate increase

11-R1 3% LIFETIME COMPOUND BENEFIT INCREASE RIDER - 50% rate increase

11-R4 TWO TIMES COMPOUND BENEFIT INCREASE RIDER - 50% rate increase

11-R5 SIMPLE BENEFIT INCREASE RIDER – 50% rate increase

Base Premium Rates – no rate change

The result of this rate increase on the above COLA riders, if approved, is similar to a 60% aggregate rate increase on the base policy form and associated rider nationally. The revised rates will be guaranteed not to increase for 4 years if the proposed rates are approved.

Our company expects to implement the rate change in 2016 or 2017 if this filing is approved.

#### 2. PURPOSE OF FILING

This actuarial memorandum has been prepared for the purpose of demonstrating that a premium rate increase is justified under rate stabilization regulation based on the Long Term Care Model Regulation. Moderately adverse is defined as a 10% increase in future claim cost over the current best estimate. The lifetime loss ratio projections (Exhibits 4-7) are based on current best estimates and do not include this additional 10% increase.

The "58/85" calculation of Section 20.C.(2) of the Long-Term Care Insurance Model Regulation applied to the historical experience and "moderately adverse" assumption produces a justified premium rate increase of 110% (see Exhibit 8). In consideration of our policyholders while balancing the financial viability of these policies, the Company prefers not to request a premium rate increase of this magnitude and is filing for a 60% aggregate rate increase instead. Regarding the schedule of additional rate increases, the Company does not plan to file for any future rate increases if the proposed rate request is approved and implemented and the underlying assumptions, which reflect moderately adverse conditions, are realized.

#### 3. LIMITATIONS AND EXCLUSIONS

This actuarial memorandum is intended to support a 60% aggregate premium rate increase described above on this plan of insurance and it is not appropriate to use for any other purposes.

#### 4. HISTORY OF RATE REVISION

There has been no previous rate revision in Virginia. A history of rate revisions for all Allianz LTC products is included in the Exhibit 1.

#### 5. SCOPE AND APPLICABILITY

This filing applies to active premium paying policies issued in this state for the policy forms listed above. These policy forms are no longer being marketed. The rate changes will only apply to applicable riders and there are no changes to the base premiums. Exhibit 2 provides a distribution of in-force policies and total annual premiums by issue state.

These rates when approved will be applied to all policies delivered or issued for delivery in the state of Virginia, regardless of place of current residence.

#### 6. DESCRIPTION OF BENEFITS

These plans are Guaranteed Renewable, Tax Qualified and Non-Qualified, Individual Long Term Care Insurance plan. Plans covers facility care and home and community care where applicable. Premiums vary by issue age and are projected to be level for the duration of the policy, unless modified by the riders elected by the policyholder. Rider charges are factor based and are a multiplier of the base premium.

#### Several coverage options are available:

- Various Maximum Benefit Periods
- Various Daily Benefit Amounts
- Various Elimination Periods
- ❖ Facility Care Plan with various Home and Community Care Benefit levels
- ❖ Separate rates for different underwriting classes
- Separate rates for joint and single lives

#### 7. POLICYHOLDER OPTIONS

Assuming that the proposed rate increase becomes effective, policyholders will have the following options upon notification of the rate increase:

#### <u>Policyholder Options to Reduce Benefits:</u>

Policyholders with benefits above the minimum coverage level have the option to modify their policy benefits to mitigate the impact of the proposed rate increase. As examples, the options include, but are not limited to the following:

- 1. Lower their lifetime maximum benefit,
- 2. Lower their daily benefit,
- 3. Increase their elimination period.
- 4. Reduce or cancel COLA riders.

To further minimize the impact to policyholders: As a part of this rate increase, policyholders who reduce or cancel their COLA benefit riders will maintain all of their past COLA benefit increase percentages. Future premiums and benefit increases will be based on the new coverage levels elected by the policyholder. If the policyholder reduces their daily benefit, then the past increase in daily benefit from COLA rider will be reduced by the same proportion.

#### Example of a COLA rider reduction:

Policyholder with a 5% compound inflation rider can minimize the size of the rate increase reducing to a 5% simple inflation protection rider. Unless policyholders reduce their daily benefit amounts, their current daily benefits will not change as the past COLA increases will be fully vested, and they will receive a 5% simple inflation protection going forward. Policyholders who elect to reduce or cancel their COLA benefit riders will likely see an overall decrease in their premiums.

| 57 Single Female, \$150 Original Daily Benefit, 100% HCC, <b>5yr</b> BP 5% compound COLA, Preferred UW, 10 <sup>th</sup> Policy Duration |          |  |
|--|----------|--|
| Original Annual Premium (5% Compound COLA)   |          |  |
| Annual Premium (80% rate increase, no COLA change)   |          |  |
| Annual Premium (50% rate increase, change to 5% simple COLA)   |          |  |
| Premium Reduction from COLA change   | -\$1,342 |  |

| 57 Single Female, \$150 Original Daily Benefit, 100% HCC, <b>Lifetime</b> BP |          |  |
|--|----------|--|
| 5% compound COLA, Preferred UW, 10 <sup>th</sup> Policy Duration             |          |  |
| Original Annual Premium (5% Compound COLA) \$3,0                             |          |  |
| Annual Premium (80% rate increase, no COLA change)                           |          |  |
| Annual Premium (50% rate increase, change to 5% simple COLA)                 |          |  |
| Premium Reduction from COLA change   | -\$1,950 |  |

Example of a COLA Cancellation:

| 57 Single Female, \$150 Original Daily Benefit, 100% HCC, <b>5yr</b> BP 5% compound COLA, Preferred UW, 10 <sup>th</sup> Policy Duration |       |  |
|--|-------|--|
| Original Daily Benefit \$150   |       |  |
| Current Daily Benefit = 150 * 1.05^10  |       |  |
| Daily Benefit after canceling COLA rider   |       |  |
| (cancelled within election window)   | \$244 |  |

Example of Daily Benefit Reduction:

| 57 Single Female, \$150 Original Daily Benefit, 100% HCC, <b>5yr</b> BP 5% compound COLA, Preferred UW, 10 <sup>th</sup> Policy Duration |       |  |
|--|-------|--|
| Original Daily Benefit \$1   |       |  |
| Current Daily Benefit = 150 * 1.05^10  |       |  |
| Reduced Daily benefit from 150 to 100 = 100 * 1.05^10  | \$163 |  |

#### Actuarial Equivalence of Vested COLA Benefits:

Exhibit 3 illustrates the future loss ratio for sample policyholders who cancel their 5% compound COLA, or reduce to a 5% simple COLA after the proposed rate increase. Assumptions used in this analysis are consistent with those within this rate filing.

#### Non-forfeiture Offers:

In addition, the Company will give the policyholder the option to accept a non-forfeiture benefit if they receive a premium increase at no charge. Acceptance of the non-forfeiture benefit will provide the policyholder with a reduced paid-up policy, with no future premiums required after the effective date of the policyholder's rate increase. Policyholders who elect this option will pay no additional premiums after the effective date of the rate increase, and their benefit pool will be their total premiums paid. In consideration of our policyholders, our company does not subtract past claims from the benefit pool prior to the election of this rider.

#### 8. ISSUE YEAR

These forms were sold from 2006 to 2009 in Virginia, and marketed nationally from 2006 through 2009. These forms are no longer being issued in any state as Allianz stopped issuing all individual standalone long-term care insurance in 2010.

#### 9. UNDERWRITING DESCRIPTION

All policies subject to this rate revision were subject to full underwriting in accordance with Company standards in place at the time of issue. Those underwriting standards were taken into consideration when projecting future experience. The underwriting selection factor wear off will be monitored and may be reflected in future projections.

#### 10. MARKETING METHOD

Sales were conducted by individual agents, who sold primarily on an individual policy basis. The Company no longer sells long-term care insurance policies.

#### 11. AREA FACTORS

The Company did not use area factors within the state.

#### 12. AVERAGE ANNUAL PREMIUM PER INSURED

#### Generation Protector II Policy Forms:

| Virginia Current Average Annual Premium:  | \$2,307 | (742 Policies Inforce)    |
|---|---------|---------------------------|
| National Original Average Annual Premium: | \$2,180 | (15,767 Policies Inforce) |

#### 13. PREMIUM MODALIZATION RULES

The modal premium factors will remain unchanged from the current factors.

#### 14. CLAIM RESERVE

At each valuation date, a claim reserve is computed for each active and pending claim case. For active claims, the claim reserve is calculated as the present value of future benefits from the valuation date to the end of the benefit period. Benefit amounts are discounted for interest and claim continuance. Claim reserve have been discounted and allocated to the appropriate incurred year.

#### 15. BEST ESTIMATE ACTUARIAL ASSUMPTIONS

#### a. Morbidity:

Attained age claim costs and Waiver of Premium benefits used in projecting future experience for this form have been developed utilizing Company-specific policy experience enhanced with other industry data as needed. Claim costs vary by joint policy status (joint vs. single), gender and various level of home health care with adjustments for elimination periods and riders.

Claim costs are developed from first principle using company specific historical claim experience. Allianz incidence rates are typically credible up to age 75. The incidence rates for the older ages (75+) are developed based on actuarial judgment using our own experience along with data provided by our consultant in 2012 and the 2007 SOA LTC Intercompany Study. Allianz continuance rates were blended with industry data that was provided by our consultant in 2012 using limited fluctuation credibility. Generally, Allianz continuance rates are lower than industry experience.

Future claim costs are projected on a seriatim basis for each policyholder. These claim costs are adjusted according to each policy's benefit designs, such as COLA option, elimination periods and benefit periods. There is no morbidity load for anti-selection since this will be the first rate increase for these policies.

Underwriting, claim management and product design were taken into consideration when setting the assumptions. Allianz historical experience includes the positive impact of underwriting selection and these underwriting factors are expected to wear off in the future. No scalar increases to the claim cost assumption are made within these projections to reflect the wear off from underwriting selection.

#### b. Mortality:

The projected future experience uses 80% of the gender-distinct 1994 GAM table that was derived by projected from 1994 to 2014 with a 1% improvement. This assumption is developed based on feedback from our consultants and is consistent with industry practice. The mortality assumption balances our morbidity assumption as neither is projected to have future improvements.

#### c. Persistency:

The Company's own experience was used for this study. The experience is determined to be credible and the voluntary lapses by duration are as follows:

- 1 7.00 %
- 2 3.40 %
- 3 2.20 %
- 4 1.50 %
- 5 1.00 %
- 6 0.90 %
- 7 0.75 % (for all durations 7 and above)

Additional lapses caused by exhaustion of benefits are also modeled using claim incidence and continuance rates. The total terminations not caused by deaths are estimated to be around 1.75% annually, all policyholders are on duration 7+.

Based on company experience, a 2% increase to lapse rate is assumed immediately after the implementation of the rate increase to account for the election of reduced paid up benefit.

#### d. Expected Benefit Reduction:

Based on company's experience in the previous rate increase, the cash flow projection for proposed rate increase includes a 3% cancellation in COLA benefits, 2% decrease in daily benefit, and 4% of policies with a reduction in benefit period. Past COLA benefit increases are modeled as 100% vested in the loss ratio projection.

#### e. Interest and Investment Income:

Interest rate of 4.0% used in the original product filing is also used in these exhibits to calculate the loss ratio. Changes in interest rates and investment income are not used to justify the rate increase.

#### f. Expenses:

Changes in expense are not used to justify the rate increase and are not included in this analysis. It is assumed that original expense assumptions are still appropriate

#### g. Moderately Adverse Assumption:

Moderately adverse condition is defined as a 10% increase in future claim cost over the current best estimate. The loss ratio projections within Exhibit 3-7 are based on the best estimate assumptions and original pricing discount rates as specified above.

#### 16. DEMONSTRATION OF SATISFACTION OF REQUIREMENTS

The projections included in this filing are produced by applying "best estimate" actuarial assumptions that reasonably reflect actual experience. The anticipated lifetime loss ratio for policies based on these assumptions is currently 101.3% and 121.0% for National and Virginia without the rate increase (Exhibit 4 & 5), 78.9% and 89.0% after the proposed rate increase (Exhibits 6 & 7). Loss ratios for Virginia policyholders are slightly higher than national policies mainly due to the difference in distribution of business mix.

A detailed demonstration of the 58/85 calculations justifying the rate increase can be found in Exhibits 8. The justifiable rate increases under moderately adverse conditions are 110% on a national basis. Moderately adverse conditions for the 58/85 calculation are defined as a 10% increase in future claim cost over the current best estimate.

Actual to expected loss ratio is close to 100% (Exhibit 4).

#### 17. ANALYSIS PERFORMED TO CONSIDER A RATE INCREASE

The initial premium schedules were based on pricing assumptions that reflected the Company's best estimate utilizing the available information at the time. Actual experience for these policies has deviated from those original assumptions. A rate increase is necessary to help these products achieve the Company's revised loss ratio target of 75%. The original pricing assumptions compared to our current assumptions are included in the Exhibit 9.

#### **18. LOSS RATIOS**

The analysis below breaks down the lifetime loss ratio by each assumption update to the original pricing assumption. The historical premium and claims are based on actual experience, while future rate increases are reflective of the premium revision proposed in this filing. For actuarial modeling purposes the rate increase is assumed to be effective July, 2016.

|   | National Experience Without Rate Increase                         |             |                         |                         |  |
|---|---|-------------|-------------------------|-------------------------|--|
|   | <u>Earned</u> <u>Incurred</u> <u>Loss</u><br>Premium Claims ratio |             | Marginal Increase to LR |                         |  |
| Original Loss Ratio   |   |             | 66.0%                   |                         |  |
| Updated Morbidity   | 633,545,084   | 547,858,356 | 86.5%                   | 31.0%                   |  |
| Updated Mortality & Morbidity                                     | 652,696,177   | 666,942,853 | 102.2%                  | 23.8%                   |  |
| Updated <b>Lapse</b> & Mortality & Morbidity                      | 660,495,407   | 669,377,487 | 101.3%                  | -1.3%                   |  |
| <b>Best Estimate Assumption:</b>                                  | 660,495,407   | 669,377,487 | 101.3%                  | 53.6%                   |  |
| Updated <b>Interest</b> & Lapse & Mortality & Morbidity           | 660,495,407   | 669,377,487 | 101.3%                  | 0.0%                    |  |
| Updated <b>Expense</b> & Interest & Lapse & Mortality & Morbidity | 660,495,407   | 669,377,487 | 101.3%                  | 0.0%                    |  |
|   | National Experience After 60% Rate Increase                       |             |                         |                         |  |
|   | <u>Earned</u>   | Incurred    | Loss                    | Marginal Increase to LR |  |

|                                  | <u>Premium</u> | <u>Claims</u> | <u>ratio</u>  |       |
|----------------------------------|----------------|---------------|---------------|-------|
| <b>Best Estimate Assumption:</b> | 802,087,105    | 632,903,638   | <b>78.9</b> % | 19.5% |

Based on historical experience combined with projected future experience.

Premiums and Claims cash flows are discounted at original pricing interest rate (4.0%).

Loss Ratio by COLA riders prior to the rate increase:

|                              | 5%       | 4%       | Other | No    | Grand  |
|------------------------------|----------|----------|-------|-------|--------|
| National                     | Compound | Compound | COLA  | COLA* | Total  |
| Proposed Rate Increase       | 80.0%    | 70.0%    | 50.0% | 0.0%  | 60.0%  |
| Lifetime LR No Rate Increase | 130.7%   | 102.1%   | 83.4% | 50.1% | 101.3% |
| Lifetime LR After Increase   | 93.2%    | 75.4%    | 66.8% | 53.1% | 78.9%  |

<sup>\*</sup>The lifetime loss ratio of No COLA increases after the rate increase due to the policyholders who cancel their COLA riders and vest their past COLA daily benefit increase. This increase also demonstrates that the actuarial equivalent of vesting COLA is larger than policyholders who have not elected COLA.

#### 19. DISTRIBUTION OF BUSINESS

The historical experience reflects the actual distribution of policies during the experience period. We used the current distribution of business as of Dec 31, 2014 to project future experience.

|                    |                        | National               |               |            |                |
|--------------------|------------------------|------------------------|---------------|------------|----------------|
| Benefit period     | 5%<br>Compound<br>COLA | 4%<br>Compound<br>COLA | Other<br>COLA | No<br>COLA | Grand<br>Total |
| 2-Year             | 0.7%                   | 0.1%                   | 0.9%          | 0.8%       | 2.4%           |
| 3-Year             | 9.2%                   | 1.4%                   | 9.3%          | 4.8%       | 24.7%          |
| 4-Year             | 6.0%                   | 0.8%                   | 4.2%          | 1.7%       | 12.8%          |
| 5-Year             | 15.8%                  | 1.8%                   | 10.5%         | 4.8%       | 32.9%          |
| 8-Year             | 7.0%                   | 0.7%                   | 3.3%          | 1.8%       | 12.8%          |
| Lifetime           | 6.9%                   | 0.7%                   | 4.0%          | 2.8%       | 14.4%          |
| <b>Grand Total</b> | 45.6%                  | 5.5%                   | 32.3%         | 16.7%      | 100.0%         |

|                               | Virginia       |                |               |            |                |
|-------------------------------|----------------|----------------|---------------|------------|----------------|
| Benefit period                | 5%<br>Compound | 4%<br>Compound | Other<br>COLA | No<br>COLA | Grand<br>Total |
| 2-Year                        | 1.6%           | 0.0%           | 0.1%          | 0.0%       | 1.8%           |
| 3-Year                        | 10.6%          | 1.2%           | 3.9%          | 2.0%       | 17.8%          |
| 4-Year                        | 3.8%           | 0.4%           | 4.2%          | 0.4%       | 8.8%           |
| 5-Year                        | 27.4%          | 2.6%           | 5.7%          | 1.5%       | 37.1%          |
| 8-Year                        | 7.4%           | 0.7%           | 3.2%          | 1.6%       | 12.9%          |
| Lifetime                      | 10.9%          | 1.8%           | 7.3%          | 1.8%       | 21.7%          |
| Grand Total                   | 61.7%          | 6.6%           | 24.4%         | 7.3%       | 100.0%         |
| <b>Proposed Rate Increase</b> | 80%            | 70%            | 50%           | 0%         | 60%            |
| Policyholder Impacted         | 458            | 49             | 181           | 54         | 742            |

#### 20. ACTUARIAL CERTIFICATION

I am a Fellow of the Society of Actuaries and a Member of the American Academy of Actuaries, and I meet the Academy's qualifications standards for preparing health rate filings.

Claims, reserves, and policyholder data are provided by our third party administrator and our valuation actuaries. Data was reviewed for reasonableness.

I hereby certify that, to the best of my knowledge and belief:

- a. This filing complies with Actuarial Standards of Practice No. 8 "Regulatory Filings for Rates and Financial Projections for Health Plans";
- b. The rates are not unfairly discriminatory and the gross premiums are not excessive. The gross premiums are not reasonable in relation to the benefits.
- c. Moderately adverse condition is defined as a 10% increase in future claim cost over the current best estimate provided in the loss ratio Exhibits 4-7.
- d. I certify that no further rate schedule increases are anticipated if the requested premium rate schedule increase is implemented and the underlying assumptions, which reflect moderately adverse conditions, are realized.

Ouling Lu, FSA, MAAA

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August 17, 2015

#### Exhibit 1 National Rate Increases Allianz Life Insurance of North America

| 2009 Rate Increase                        |              |              |  |  |
|---|--------------|--------------|--|--|
| State                                     | Min Increase | Max Increase |  |  |
| AK  | 0%           | 25%          |  |  |
| AL  | 15%          | 25%          |  |  |
| AR  | 18%          | 25%          |  |  |
|   |              |              |  |  |
| CO, NH, WA, WY                            | 20%          | 25%          |  |  |
| IA  | 15%          | 25%          |  |  |
| ME, NC                                    | 22%          | 25%          |  |  |
| MS, MT, SD, TN, WV,                       |              |              |  |  |
| IN, HI, NE                                | 23%          | 25%          |  |  |
| NJ  | 8%           | 25%          |  |  |
| NV  | 10%          | 25%          |  |  |
| PA  | 21%          | 25%          |  |  |
| TX  | 16%          | 25%          |  |  |
| VA  | 8%           | 25%          |  |  |
| WI  | 18%          | 25%          |  |  |
| ID, IL KY, MI MO, NM                      | 25%          | 25%          |  |  |
| DE  | 11%          | 20%          |  |  |
| LA  | 16%          | 20%          |  |  |
| OH  | 20%          | 20%          |  |  |
| SC  | 16%          | 20%          |  |  |
| AZ, KS                                    | 15%          | 15%          |  |  |
| MD  | 6%           | 15%          |  |  |
| ND  | 12%          | 15%          |  |  |
| GA, OK                                    | 10%          | 10%          |  |  |
| OR  | 7%           | 10%          |  |  |
| CA, CT, DC, FL, MA,<br>MN, RI, UT, VT, NY | 0%           | 0%           |  |  |

| 2012 Rate Increase                         |                |                |  |  |
|--|----------------|----------------|--|--|
| State                                      | Min Increase   | Max Increase   |  |  |
| IL   | 25%            | 100%           |  |  |
| AZ   | 25%            | 75%            |  |  |
| TX   | 17%            | 75%            |  |  |
| AK, CO, MI, MS, MO,<br>NH, NC, OK, OR, SD, |                |                |  |  |
| TN, WA, WV, WY                             | 25%            | 25%            |  |  |
| AL   | 20%            | 25%            |  |  |
| HI   | 3%*            | 25%            |  |  |
| KY   | 3%*            | 25%            |  |  |
| ME   | 24%            | 25%            |  |  |
| MT, WI                                     | 10%            | 25%            |  |  |
| NJ   | 15%            | 25%            |  |  |
| OH   | 20%            | 25%            |  |  |
| NE   | 10%            | 20%            |  |  |
| PA, SC                                     | 20%            | 20%            |  |  |
| DE, GA, MD, ND                             | 15%            | 15%            |  |  |
| IA   | 8%             | 15%            |  |  |
| VA   | 14%            | 100% Pending   |  |  |
| ID, KS, NY                                 | 10%            | 10%            |  |  |
| FL   | 7%             | 7%             |  |  |
| CT, NM                                     | 0%             | 0%             |  |  |
| CA   | Filed, Pending | Filed, Pending |  |  |
| MN   | Filed, Pending | Filed, Pending |  |  |
| DC, IN, LA, MA, NV,<br>RI, UT, AR, VT      |                | Filed, Pending |  |  |

#### Exhibit 2 National Policy From Series: 11-P-Q As of 12/31/2014 Count of Inforce Lives Insured

| Ctata       | Lives |        | Danaminan     |            |
|-------------|-------|--------|---------------|------------|
| State       | Lives | 20     | Premium<br>\$ | 00 501     |
| AK          |       | 38     |               | 98,581     |
| AL          |       | 404    | \$            | 747,812    |
| AR          |       | 128    | \$            | 252,529    |
| AZ          |       | 417    | \$            | 884,802    |
| CO          |       | 609    | \$            | 1,397,854  |
| CT          |       | 141    | \$            | 444,009    |
| DC          |       | 29     | \$            | 73,097     |
| DE          |       | 36     | \$            | 91,142     |
| FL          |       | 583    | \$            | 1,470,734  |
| GA          |       | 687    | \$            | 1,443,410  |
| HI          |       | 26     | \$            | 62,862     |
| IA          |       | 452    | \$            | 939,335    |
| ID          |       | 143    | \$            | 280,199    |
| IL          |       | 848    | \$            | 1,933,974  |
| IN          |       | 49     | \$            | 108,726    |
| KS          |       | 413    | \$            | 788,669    |
| KY          |       | 184    | \$            | 381,622    |
| LA          |       | 211    | \$            | 382,662    |
| MA          |       | 50     | \$            | 174,597    |
| MD          |       | 351    | \$            | 816,554    |
| ME          |       | 78     | \$            | 266,783    |
| MI          |       | 467    | \$            | 1,030,156  |
| MN          |       | 1,689  | \$            | 3,547,592  |
| MO          |       | 721    | \$            | 1,378,810  |
| MS          |       | 114    | \$            | 194,282    |
| MT          |       | 134    | \$            | 293,920    |
| NC          |       | 399    | \$            | 843,438    |
| ND          |       | 141    | \$            | 280,405    |
| NE          |       | 431    | \$            | 978,211    |
| NH          |       | 88     | \$            | 275,838    |
| NJ          |       | 334    | \$            | 890,139    |
| NM          |       | 129    | \$            | 267,271    |
| NV          |       | 100    | \$            | 213,178    |
| OH          |       | 486    | \$            | 1,035,315  |
| OK          |       | 261    | \$            | 529,765    |
| OR          |       | 304    | \$            | 586,066    |
| PA          |       | 608    | \$            | 1,479,816  |
| RI          |       | 79     | \$            | 172,757    |
| SC          |       | 249    | \$            | 482,932    |
| SD          |       | 200    | \$            | 409,073    |
| TN          |       | 406    | \$            | 787,295    |
| TX          |       | 970    | \$            | 1,914,224  |
| UT          |       | 55     | \$            | 101,613    |
| VA          |       | 742    | \$            | 1,712,139  |
| VT          |       | 32     | \$            | 75,004     |
| WA          |       | 282    | \$            | 682,098    |
| WI          |       | 365    | \$            | 920,464    |
| WV          |       | 28     | \$            | 57,534     |
| WY          |       | 76     | \$            | 187,286    |
| Grand Total |       | 15,767 | \$            | 34,366,573 |
|             |       |        |               |            |

Issue Age 57, 5 Year Benefit Period, 150 Initial Daily Benefit 5% Compound Switch to 5% Simple COLA Past COLA Increases 100% Vested Rate Increase Reduced From 80% to 50% 10<sup>th</sup> Policy Duration

|          | ſ    |               |             |                            |               |                    |                       |
|----------|------|---------------|-------------|----------------------------|---------------|--------------------|-----------------------|
| Attained |      |               |             | <b>Expected Claim Cost</b> |               |                    | <b>Expected Claim</b> |
| Age      | Year | Daily Benefit | Earned Prem | (5% Compound)              | Daily Benefit | <b>Earned Prem</b> | Cost (5% Simple)      |
| 67       | 2015 | 244.33        | 3,818.88    | 359.58                     | 244.33        | 2,476.80           | 342.06                |
| 68       | 2016 | 256.55        | 3,719.74    | 427.48                     | 251.83        | 2,412.50           | 399.17                |
| 69       | 2017 | 269.38        | 3,620.25    | 518.10                     | 259.33        | 2,347.98           | 474.48                |
| 70       | 2018 | 282.85        | 3,520.73    | 621.59                     | 266.83        | 2,283.43           | 557.83                |
| 71       | 2019 | 296.99        | 3,421.13    | 865.47                     | 274.33        | 2,218.83           | 760.49                |
| 72       | 2020 | 311.84        | 3,321.05    | 1,108.63                   | 281.83        | 2,153.92           | 953.13                |
| 73       | 2021 | 327.43        | 3,219.84    | 1,303.86                   | 289.33        | 2,088.28           | 1,096.01              |
| 74       | 2022 | 343.80        | 3,117.07    | 1,643.62                   | 296.83        | 2,021.63           | 1,349.92              |
| 75       | 2023 | 360.99        | 3,012.59    | 1,814.61                   | 304.33        | 1,953.87           | 1,455.26              |
| 76       | 2024 | 379.04        | 2,906.15    | 2,048.93                   | 311.83        | 1,884.83           | 1,603.49              |
| 77       | 2025 | 397.99        | 2,797.44    | 2,287.90                   | 319.33        | 1,814.33           | 1,746.26              |
| 78       | 2026 | 417.89        | 2,686.12    | 2,702.92                   | 326.83        | 1,742.13           | 2,010.93              |
| 79       | 2027 | 438.79        | 2,572.13    | 3,455.11                   | 334.33        | 1,668.20           | 2,504.32              |
| 80       | 2028 | 460.73        | 2,455.62    | 4,148.74                   | 341.83        | 1,592.64           | 2,928.13              |
| 81       | 2029 | 483.76        | 2,336.61    | 5,100.62                   | 349.33        | 1,515.45           | 3,503.75              |
| 82       | 2030 | 507.95        | 2,215.00    | 6,240.17                   | 356.83        | 1,436.58           | 4,170.06              |
| 83       | 2031 | 533.35        | 2,090.66    | 7,015.19                   | 364.33        | 1,355.93           | 4,558.58              |
| 84       | 2032 | 560.02        | 1,963.93    | 7,408.19                   | 371.83        | 1,273.74           | 4,679.10              |
| 85       | 2033 | 588.02        | 1,835.43    | 8,417.90                   | 379.33        | 1,190.40           | 5,110.11              |
| 86       | 2034 | 617.42        | 1,705.59    | 9,503.66                   | 386.83        | 1,106.19           | 5,542.73              |
| 87       | 2035 | 648.29        | 1,574.73    | 10,650.21                  | 394.33        | 1,021.32           | 5,965.33              |
| 88       | 2036 | 680.71        | 1,443.18    | 11,451.40                  | 401.83        | 936.00             | 6,352.76              |
| 89       | 2037 | 714.74        | 1,311.50    | 12,198.12                  | 409.33        | 850.59             | 6,583.46              |
| 90       | 2038 | 750.48        | 1,180.73    | 12,861.14                  | 416.83        | 765.78             | 6,631.27              |
| 91       | 2039 | 788.00        | 1,052.16    | 13,410.85                  | 424.33        | 682.40             | 6,544.23              |
| 92       | 2040 | 827.40        | 927.27      | 13,819.15                  | 431.83        | 601.40             | 6,322.18              |
| 93       | 2041 | 868.77        | 807.57      | 14,060.51                  | 439.33        | 523.76             | 5,973.59              |
| 94       | 2042 | 912.21        | 694.46      | 14,113.26                  | 446.83        | 450.40             | 5,514.99              |
| 95       | 2043 | 957.82        | 589.14      | 13,962.30                  | 454.33        | 382.10             | 4,970.01              |

| \$43,932.50 | \$81,118.72 |
|-------------|-------------|
| Future LR   | 184.6%      |

| \$28,493.17 | \$47,058.39 |
|-------------|-------------|
| Future LR   | 165.2%      |

Issue Age 65, 5 Year Benefit Period, 150 Initial Daily Benefit 5% Compound Switch to 5% Simple COLA
Past COLA Increases 100% Vested
Rate Increase Reduced From 80% to 50%
10<sup>th</sup> Policy Duration

| Attained |    |      |                      |                    | Expected Claim Cost |
|----------|----|------|----------------------|--------------------|---------------------|
| Age      |    | Year | <b>Daily Benefit</b> | <b>Earned Prem</b> | (5% Compound)       |
|          | 75 | 2015 | 244.33               | 6,076.08           | 1,556.92            |
|          | 76 | 2016 | 256.55               | 5,861.40           | 1,757.96            |
|          | 77 | 2017 | 269.38               | 5,642.16           | 1,962.99            |
|          | 78 | 2018 | 282.85               | 5,417.62           | 2,319.08            |
|          | 79 | 2019 | 296.99               | 5,187.71           | 2,964.45            |
|          | 80 | 2020 | 311.84               | 4,952.74           | 3,559.58            |
|          | 81 | 2021 | 327.43               | 4,712.70           | 4,376.28            |
|          | 82 | 2022 | 343.80               | 4,467.42           | 5,354.00            |
|          | 83 | 2023 | 360.99               | 4,216.65           | 6,018.96            |
|          | 84 | 2024 | 379.04               | 3,961.05           | 6,356.15            |
|          | 85 | 2025 | 397.99               | 3,701.88           | 7,222.46            |
|          | 86 | 2026 | 417.89               | 3,440.00           | 8,154.03            |
|          | 87 | 2027 | 438.79               | 3,176.07           | 9,137.77            |
|          | 88 | 2028 | 460.73               | 2,910.74           | 9,825.18            |
|          | 89 | 2029 | 483.76               | 2,645.15           | 10,465.85           |
|          | 90 | 2030 | 507.95               | 2,381.40           | 11,034.71           |
|          | 91 | 2031 | 533.35               | 2,122.11           | 11,506.36           |
|          | 92 | 2032 | 560.02               | 1,870.21           | 11,856.68           |
|          | 93 | 2033 | 588.02               | 1,628.79           | 12,063.76           |
|          | 94 | 2034 | 617.42               | 1,400.66           | 12,109.02           |
|          | 95 | 2035 | 648.29               | 1,188.24           | 11,979.50           |

|               |             | E                   |
|---------------|-------------|---------------------|
| D 11 D 614    | E 15        | Expected Claim Cost |
| Daily Benefit | Earned Prem | (5% Simple)         |
| 244.33        | 4,254.30    | 1,481.05            |
| 251.83        | 4,103.99    | 1,641.55            |
| 259.33        | 3,950.48    | 1,797.71            |
| 266.83        | 3,793.27    | 2,081.17            |
| 274.33        | 3,632.29    | 2,604.87            |
| 281.83        | 3,467.77    | 3,060.30            |
| 289.33        | 3,299.70    | 3,678.64            |
| 296.83        | 3,127.96    | 4,397.30            |
| 304.33        | 2,952.38    | 4,827.00            |
| 311.83        | 2,773.41    | 4,974.31            |
| 319.33        | 2,591.95    | 5,453.18            |
| 326.83        | 2,408.59    | 5,936.39            |
| 334.33        | 2,223.80    | 6,411.31            |
| 341.83        | 2,038.02    | 6,850.58            |
| 349.33        | 1,852.06    | 7,122.18            |
| 356.83        | 1,667.39    | 7,196.07            |
| 364.33        | 1,485.84    | 7,122.73            |
| 371.83        | 1,309.47    | 6,900.73            |
| 379.33        | 1,140.43    | 6,538.21            |
| 386.83        | 980.70      | 6,052.29            |
| 394.33        | 831.97      | 5,468,17            |

| \$56,398.89 | \$88,778.45 |
|-------------|-------------|
| Future LR   | 157.4%      |

| \$39,488.91 | \$61,820.44 |
|-------------|-------------|
| Future LR   | 156.6%      |

Issue Age 57, Lifetime Benefit Period, 150 Initial Daily Benefit 5% Compound Switch to 5% Simple COLA
Past COLA Increases 100% Vested
Rate Increase Reduced From 80% to 50%
10<sup>th</sup> Policy Duration

| Attaine d |      |               |                    | <b>Expected Claim Cost</b> |
|-----------|------|---------------|--------------------|----------------------------|
| Age       | Year | Daily Benefit | <b>Earned Prem</b> | (5% Compound)              |
| 67        | 2015 | 244.33        | 5,549.31           | 721.58                     |
| 68        | 2016 | 256.55        | 5,380.20           | 853.28                     |
| 69        | 2017 | 269.38        | 5,208.47           | 1,027.76                   |
| 70        | 2018 | 282.85        | 5,033.89           | 1,224.12                   |
| 71        | 2019 | 296.99        | 4,856.04           | 1,690.08                   |
| 72        | 2020 | 311.84        | 4,674.39           | 2,144.11                   |
| 73        | 2021 | 327.43        | 4,488.37           | 2,494.28                   |
| 74        | 2022 | 343.80        | 4,297.90           | 3,105.94                   |
| 75        | 2023 | 360.99        | 4,103.23           | 3,382.38                   |
| 76        | 2024 | 379.04        | 3,904.36           | 3,761.05                   |
| 77        | 2025 | 397.99        | 3,701.16           | 4,128.24                   |
| 78        | 2026 | 417.89        | 3,493.39           | 4,784.50                   |
| 79        | 2027 | 438.79        | 3,281.63           | 5,986.98                   |
| 80        | 2028 | 460.73        | 3,066.92           | 7,020.60                   |
| 81        | 2029 | 483.76        | 2,849.96           | 8,406.70                   |
| 82        | 2030 | 507.95        | 2,631.30           | 9,986.23                   |
| 83        | 2031 | 533.35        | 2,411.48           | 10,860.51                  |
| 84        | 2032 | 560.02        | 2,191.45           | 11,048.23                  |
| 85        | 2033 | 588.02        | 1,972.94           | 11,908.98                  |
| 86        | 2034 | 617.42        | 1,758.11           | 12,695.42                  |
| 87        | 2035 | 648.29        | 1,549.43           | 13,374.19                  |
| 88        | 2036 | 680.71        | 1,349.41           | 13,887.43                  |
| 89        | 2037 | 714.74        | 1,160.41           | 13,978.60                  |
| 90        | 2038 | 750.48        | 984.43             | 13,622.39                  |
| 91        | 2039 | 788.00        | 823.12             | 13,866.27                  |
| 92        | 2040 | 827.40        | 725.42             | 13,821.29                  |
| 93        | 2041 | 868.77        | 631.77             | 13,478.10                  |
| 94        | 2042 | 912.21        | 543.29             | 12,846.23                  |
| 95        | 2043 | 957.82        | 460.89             | 11,954.96                  |

|               |             | Expected Claim   |
|---------------|-------------|------------------|
| Daily Benefit | Earned Prem | Cost (5% Simple) |
| 244.33        | 3,599.10    | 718.50           |
| 251.83        | 3,489.42    | 834.01           |
| 259.33        | 3,378.05    | 985.22           |
| 266.83        | 3,264.82    | 1,149.89         |
| 274.33        | 3,149.47    | 1,554.49         |
| 281.83        | 3,031.66    | 1,929.53         |
| 289.33        | 2,911.01    | 2,194.65         |
| 296.83        | 2,787.48    | 2,670.17         |
| 304.33        | 2,661.22    | 2,839.33         |
| 311.83        | 2,532.24    | 3,080.96         |
| 319.33        | 2,400.45    | 3,298.19         |
| 326.83        | 2,265.70    | 3,725.97         |
| 334.33        | 2,128.36    | 4,542.29         |
| 341.83        | 1,989.10    | 5,186.64         |
| 349.33        | 1,848.39    | 6,044.69         |
| 356.83        | 1,706.57    | 6,985.31         |
| 364.33        | 1,564.00    | 7,387.18         |
| 371.83        | 1,421.30    | 7,304.35         |
| 379.33        | 1,279.58    | 7,649.74         |
| 386.83        | 1,140.26    | 7,920.14         |
| 394.33        | 1,004.91    | 8,100.35         |
| 401.83        | 875.18      | 8,163.02         |
| 409.33        | 752.60      | 7,971.40         |
| 416.83        | 638.47      | 7,533.91         |
| 424.33        | 533.85      | 7,435.02         |
| 431.83        | 470.48      | 7,182.75         |
| 439.33        | 409.75      | 6,786.71         |
| 446.83        | 352.36      | 6,265.69         |
| 454.33        | 298.92      | 5,646.52         |

| \$57,597.46 | \$107,097.06 |
|-------------|--------------|
| Future LR   | 185.9%       |

| \$37,355.82 | \$70,546.71 |
|-------------|-------------|
| Future LR   | 188.9%      |

Issue Age 65, Lifetime Benefit Period, 150 Initial Daily Benefit 5% Compound Switch to 5% Simple COLA
Past COLA Increases 100% Vested
Rate Increase Reduced From 80% to 50%
10<sup>th</sup> Policy Duration

| Attained |      |               |                    | <b>Expected Claim Cost</b> |
|----------|------|---------------|--------------------|----------------------------|
| Age      | Year | Daily Benefit | <b>Earned Prem</b> | (5% Compound)              |
| 75       | 2015 | 244.33        | 8,956.98           | 3,138.88                   |
| 76       | 2016 | 256.55        | 8,640.52           | 3,544.19                   |
| 77       | 2017 | 269.38        | 8,317.32           | 3,957.56                   |
| 78       | 2018 | 282.85        | 7,986.32           | 4,675.45                   |
| 79       | 2019 | 296.99        | 7,647.40           | 5,976.57                   |
| 80       | 2020 | 311.84        | 7,301.02           | 7,176.41                   |
| 81       | 2021 | 327.43        | 6,947.17           | 8,822.94                   |
| 82       | 2022 | 343.80        | 6,585.60           | 10,794.11                  |
| 83       | 2023 | 360.99        | 6,215.92           | 12,134.73                  |
| 84       | 2024 | 379.04        | 5,839.13           | 12,814.53                  |
| 85       | 2025 | 397.99        | 5,457.08           | 14,404.12                  |
| 86       | 2026 | 417.89        | 5,071.03           | 16,086.69                  |
| 87       | 2027 | 438.79        | 4,681.97           | 17,833.10                  |
| 88       | 2028 | 460.73        | 4,290.83           | 19,568.70                  |
| 89       | 2029 | 483.76        | 3,899.32           | 20,903.15                  |
| 90       | 2030 | 507.95        | 3,510.52           | 21,709.92                  |
| 91       | 2031 | 533.35        | 3,128.28           | 22,098.60                  |
| 92       | 2032 | 560.02        | 2,756.95           | 22,026.90                  |
| 93       | 2033 | 588.02        | 2,401.06           | 21,479.97                  |
| 94       | 2034 | 617.42        | 2,064.76           | 20,472.97                  |
| 95       | 2035 | 648.29        | 1,751.64           | 19,052.55                  |

|               |             | <b>Expected Claim</b> |
|---------------|-------------|-----------------------|
|               |             | Cost (5%              |
| Daily Benefit | Earned Prem | Simple)               |
| 244.33        | 6,271.43    | 3,125.48              |
| 251.83        | 6,049.85    | 3,464.18              |
| 259.33        | 5,823.55    | 3,793.73              |
| 266.83        | 5,591.80    | 4,391.92              |
| 274.33        | 5,354.50    | 5,497.09              |
| 281.83        | 5,111.97    | 6,458.20              |
| 289.33        | 4,864.21    | 7,763.09              |
| 296.83        | 4,611.05    | 9,279.69              |
| 304.33        | 4,352.21    | 10,186.47             |
| 311.83        | 4,088.39    | 10,497.36             |
| 319.33        | 3,820.89    | 11,507.92             |
| 326.83        | 3,550.59    | 12,527.64             |
| 334.33        | 3,278.18    | 13,529.87             |
| 341.83        | 3,004.32    | 14,456.87             |
| 349.33        | 2,730.19    | 15,030.04             |
| 356.83        | 2,457.96    | 15,185.97             |
| 364.33        | 2,190.33    | 15,031.19             |
| 371.83        | 1,930.34    | 14,562.71             |
| 379.33        | 1,681.15    | 13,797.67             |
| 386.83        | 1,445.69    | 12,772.22             |
| 394.33        | 1,226.45    | 11,539.56             |

| \$83,139.74 | \$170,898.82 |
|-------------|--------------|
| Future LR   | 205.6%       |

| \$58,212.10 | \$130,460.51 |
|-------------|--------------|
| Future LR   | 224.1%       |

Issue Age 57, 5 Year Benefit Period, 150 Initial Daily Benefit 5% Compound Switch to No COLA
Past COLA Increases 100% Vested
Rate Increase Reduced From 80% to 0%
10<sup>th</sup> Policy Duration

|              |      | Daily   | Farmed   | Expected Claim Cost |
|--------------|------|---------|----------|---------------------|
| Attained Ass | Vace | Benefit | Prem     | (5% Compound)       |
| Attained Age |      |         |          | _                   |
| 67           | 2015 | 244.33  | 3,818.88 | 359.58              |
| 68           | 2016 | 256.55  | 3,719.74 | 427.48              |
|              | 2017 | 269.38  | 3,620.25 | 518.10              |
|              | 2018 | 282.85  | 3,520.73 | 621.59              |
| 71           | 2019 | 296.99  | 3,421.13 | 865.47              |
|              | 2020 | 311.84  | 3,321.05 | 1,108.63            |
|              | 2021 | 327.43  | 3,219.84 | 1,303.86            |
|              | 2022 | 343.80  | 3,117.07 | 1,643.62            |
| 75           | 2023 | 360.99  | 3,012.59 | 1,814.61            |
|              | 2024 | 379.04  | 2,906.15 | 2,048.93            |
| 77           | 2025 | 397.99  | 2,797.44 | 2,287.90            |
| 78           | 2026 | 417.89  | 2,686.12 | 2,702.92            |
| 79           | 2027 | 438.79  | 2,572.13 | 3,455.11            |
| 80           | 2028 | 460.73  | 2,455.62 | 4,148.74            |
| 81           | 2029 | 483.76  | 2,336.61 | 5,100.62            |
| 82           | 2030 | 507.95  | 2,215.00 | 6,240.17            |
| 83           | 2031 | 533.35  | 2,090.66 | 7,015.19            |
| 84           | 2032 | 560.02  | 1,963.93 | 7,408.19            |
| 85           | 2033 | 588.02  | 1,835.43 | 8,417.90            |
| 86           | 2034 | 617.42  | 1,705.59 | 9,503.66            |
| 87           | 2035 | 648.29  | 1,574.73 | 10,650.21           |
| 88           | 2036 | 680.71  | 1,443.18 | 11,451.40           |
| 89           | 2037 | 714.74  | 1,311.50 | 12,198.12           |
| 90           | 2038 | 750.48  | 1,180.73 | 12,861.14           |
| 91           | 2039 | 788.00  | 1,052.16 | 13,410.85           |
| 92           | 2040 | 827.40  | 927.27   | 13,819.15           |
| 93           | 2041 | 868.77  | 807.57   | 14,060.51           |
| 94           | 2042 | 912.21  | 694.46   | 14,113.26           |
| 95           | 2043 | 957.82  | 589.14   | 13,962.30           |

| D-9-    |             | E 4- 1 Cl      |
|---------|-------------|----------------|
| Daily   | B 1B        | Expected Claim |
| Benefit | Earned Prem | Cost (No COLA) |
| 244.33  | 960.00      | 321.86         |
| 244.33  | 935.08      | 364.41         |
| 244.33  | 910.07      | 420.64         |
| 244.33  | 885.05      | 480.63         |
| 244.33  | 860.01      | 637.33         |
| 244.33  | 834.85      | 777.52         |
| 244.33  | 809.41      | 870.89         |
| 244.33  | 783.58      | 1,045.55       |
| 244.33  | 757.31      | 1,099.36       |
| 244.33  | 730.56      | 1,182.21       |
| 244.33  | 703.23      | 1,257.23       |
| 244.33  | 675.24      | 1,414.56       |
| 244.33  | 646.59      | 1,722.11       |
| 244.33  | 617.30      | 1,969.36       |
| 244.33  | 587.38      | 2,305.91       |
| 244.33  | 556.81      | 2,686.75       |
| 244.33  | 525.56      | 2,876.61       |
| 244.33  | 493.70      | 2,893.11       |
| 244.33  | 461.40      | 3,097.13       |
| 244.33  | 428.76      | 3,294.20       |
| 244.33  | 395.86      | 3,477.93       |
| 244.33  | 362.79      | 3,634.68       |
| 244.33  | 329.69      | 3,697.66       |
| 244.33  | 296.81      | 3,657.50       |
| 244.33  | 264.50      | 3,545.69       |
| 244.33  | 233.10      | 3,365.89       |
| 244.33  | 203.01      | 3,126.02       |
| 244.33  | 174.58      | 2,837.59       |
| 244.33  | 148.10      | 2,514.97       |

| \$43,932.50 | \$81,118.72 |
|-------------|-------------|
| Future LR   | 184.6%      |

| \$11,043.87 | \$29,399.23 |
|-------------|-------------|
| Future LR   | 266.2%      |

Issue Age 65, 5 Year Benefit Period, 150 Initial Daily Benefit 5% Compound Switch to No COLA
Past COLA Increases 100% Vested
Rate Increase Reduced From 80% to 0%
10<sup>th</sup> Policy Duration

| Attained |         |               |                    | Expected Claim Cost |
|----------|---------|---------------|--------------------|---------------------|
| Age      | Year    | Daily Benefit | <b>Earned Prem</b> | (5% Compound)       |
|          | 75 2015 | 244.33        | 6,076.08           | 1,556.92            |
|          | 76 2016 | 256.55        | 5,861.40           | 1,757.96            |
|          | 77 2017 | 269.38        | 5,642.16           | 1,962.99            |
|          | 78 2018 | 282.85        | 5,417.62           | 2,319.08            |
|          | 79 2019 | 296.99        | 5,187.71           | 2,964.45            |
|          | 80 2020 | 311.84        | 4,952.74           | 3,559.58            |
|          | 81 2021 | 327.43        | 4,712.70           | 4,376.28            |
|          | 82 2022 | 343.80        | 4,467.42           | 5,354.00            |
|          | 83 2023 | 360.99        | 4,216.65           | 6,018.96            |
|          | 84 2024 | 379.04        | 3,961.05           | 6,356.15            |
|          | 85 2025 | 397.99        | 3,701.88           | 7,222.46            |
|          | 86 2026 | 417.89        | 3,440.00           | 8,154.03            |
|          | 87 2027 | 438.79        | 3,176.07           | 9,137.77            |
|          | 88 2028 | 460.73        | 2,910.74           | 9,825.18            |
|          | 89 2029 | 483.76        | 2,645.15           | 10,465.85           |
|          | 90 2030 | 507.95        | 2,381.40           | 11,034.71           |
|          | 91 2031 | 533.35        | 2,122.11           | 11,506.36           |
|          | 92 2032 | 560.02        | 1,870.21           | 11,856.68           |
|          | 93 2033 | 588.02        | 1,628.79           | 12,063.76           |
|          | 94 2034 | 617.42        | 1,400.66           | 12,109.02           |
|          | 95 2035 | 648.29        | 1,188.24           | 11,979.50           |

|               |                    | Expected Claim Cost |
|---------------|--------------------|---------------------|
| Daily Benefit | <b>Earned Prem</b> | (No COLA)           |
| 244.33        | 1,740.00           | 1,481.05            |
| 244.33        | 1,678.52           | 1,592.66            |
| 244.33        | 1,615.74           | 1,693.73            |
| 244.33        | 1,551.44           | 1,905.68            |
| 244.33        | 1,485.60           | 2,320.01            |
| 244.33        | 1,418.31           | 2,653.11            |
| 244.33        | 1,349.57           | 3,106.51            |
| 244.33        | 1,279.33           | 3,619.57            |
| 244.33        | 1,207.52           | 3,875.35            |
| 244.33        | 1,134.32           | 3,897.57            |
| 244.33        | 1,060.10           | 4,172.42            |
| 244.33        | 985.11             | 4,437.92            |
| 244.33        | 909.53             | 4,685.44            |
| 244.33        | 833.54             | 4,896.61            |
| 244.33        | 757.49             | 4,981.46            |
| 244.33        | 681.96             | 4,927.35            |
| 244.33        | 607.70             | 4,776.73            |
| 244.33        | 535.57             | 4,534.51            |
| 244.33        | 466.43             | 4,211.35            |
| 244.33        | 401.10             | 3,822.78            |
| 244.33        | 340.28             | 3,388.14            |

| \$56,398.89 | \$88,778.45 |
|-------------|-------------|
| Future LR   | 157.4%      |

| \$16,150.88 | \$46,837.89 |
|-------------|-------------|
| Future LR   | 290.0%      |

Issue Age 57, Lifetime Benefit Period, 150 Initial Daily Benefit 5% Compound Switch to No COLA
Past COLA Increases 100% Vested
Rate Increase Reduced From 80% to 0%
10<sup>th</sup> Policy Duration

| ĺ                 |               |                    | <b>Expected Claim Cost</b> |
|-------------------|---------------|--------------------|----------------------------|
| Attained Age Year | Daily Benefit | <b>Earned Prem</b> | (5% Compound)              |
| 67 2015           | 244.33        | 5,549.31           | 721.58                     |
| 68 2016           | 256.55        | 5,380.20           | 853.28                     |
| 69 2017           | 269.38        | 5,208.47           | 1,027.76                   |
| 70 2018           | 282.85        | 5,033.89           | 1,224.12                   |
| 71 2019           | 296.99        | 4,856.04           | 1,690.08                   |
| 72 2020           | 311.84        | 4,674.39           | 2,144.11                   |
| 73 2021           | 327.43        | 4,488.37           | 2,494.28                   |
| 74 2022           | 343.80        | 4,297.90           | 3,105.94                   |
| 75 2023           | 360.99        | 4,103.23           | 3,382.38                   |
| 76 2024           | 379.04        | 3,904.36           | 3,761.05                   |
| 77 2025           | 397.99        | 3,701.16           | 4,128.24                   |
| 78 2026           | 417.89        | 3,493.39           | 4,784.50                   |
| 79 2027           | 438.79        | 3,281.63           | 5,986.98                   |
| 80 2028           | 460.73        | 3,066.92           | 7,020.60                   |
| 81 2029           | 483.76        | 2,849.96           | 8,406.70                   |
| 82 2030           | 507.95        | 2,631.30           | 9,986.23                   |
| 83 2031           | 533.35        | 2,411.48           | 10,860.51                  |
| 84 2032           | 560.02        | 2,191.45           | 11,048.23                  |
| 85 2033           | 588.02        | 1,972.94           | 11,908.98                  |
| 86 2034           | 617.42        | 1,758.11           | 12,695.42                  |
| 87 2035           | 648.29        | 1,549.43           | 13,374.19                  |
| 88 2036           | 680.71        | 1,349.41           | 13,887.43                  |
| 89 2037           | 714.74        | 1,160.41           | 13,978.60                  |
| 90 2038           | 750.48        | 984.43             | 13,622.39                  |
| 91 2039           | 788.00        | 823.12             | 13,866.27                  |
| 92 2040           | 827.40        | 725.42             | 13,821.29                  |
| 93 2041           | 868.77        | 631.77             | 13,478.10                  |
| 94 2042           | 912.21        | 543.29             | 12,846.23                  |
| 95 2043           | 957.82        | 460.89             | 11,954.96                  |

|               |             | Expected Claim Cost |
|---------------|-------------|---------------------|
| Daily Benefit | Earned Prem | (No COLA)           |
| 244.33        | 1,395.00    | 666.44              |
| 244.33        | 1,352.49    | 750.54              |
| 244.33        | 1,309.32    | 860.97              |
| 244.33        | 1,265.43    | 976.63              |
| 244.33        | 1,220.72    | 1,284.18            |
| 244.33        | 1,175.06    | 1,551.58            |
| 244.33        | 1,128.30    | 1,719.03            |
| 244.33        | 1,080.42    | 2,038.65            |
| 244.33        | 1,031.48    | 2,114.37            |
| 244.33        | 981.49      | 2,239.13            |
| 244.33        | 930.41      | 2,340.70            |
| 244.33        | 878.18      | 2,583.62            |
| 244.33        | 824.95      | 3,079.01            |
| 244.33        | 770.97      | 3,438.65            |
| 244.33        | 716.43      | 3,921.48            |
| 244.33        | 661.46      | 4,436.46            |
| 244.33        | 606.20      | 4,595.11            |
| 244.33        | 550.89      | 4,451.94            |
| 244.33        | 495.96      | 4,570.27            |
| 244.33        | 441.96      | 4,640.07            |
| 244.33        | 389.50      | 4,655.39            |
| 244.33        | 339.22      | 4,603.85            |
| 244.33        | 291.71      | 4,413.40            |
| 244.33        | 247.47      | 4,096.13            |
| 244.33        | 206.92      | 3,970.92            |
| 244.33        | 182.36      | 3,769.56            |
| 244.33        | 158.82      | 3,500.91            |
| 244.33        | 136.57      | 3,177.89            |
| 244.33        | 115.86      | 2,816.58            |

| \$57,597.46 | \$107,097.06 |
|-------------|--------------|
| Future LR   | 185.9%       |

| \$14,479.00 | \$44,770.04 |
|-------------|-------------|
| Future LR   | 309.2%      |

Issue Age 65, Lifetime Benefit Period, 150 Initial Daily Benefit 5% Compound Switch to No COLA
Past COLA Increases 100% Vested
Rate Increase Reduced From 80% to 0%
10<sup>th</sup> Policy Duration

| Attained |      |               |             | Expected Claim Cost |
|----------|------|---------------|-------------|---------------------|
| Age      | Year | Daily Benefit | Earned Prem | (5% Compound)       |
| 75       | 2015 | 244.33        | 8,956.98    | 3,138.88            |
| 76       | 2016 | 256.55        | 8,640.52    | 3,544.19            |
| 77       | 2017 | 269.38        | 8,317.32    | 3,957.56            |
| 78       | 2018 | 282.85        | 7,986.32    | 4,675.45            |
| 79       | 2019 | 296.99        | 7,647.40    | 5,976.57            |
| 80       | 2020 | 311.84        | 7,301.02    | 7,176.41            |
| 81       | 2021 | 327.43        | 6,947.17    | 8,822.94            |
| 82       | 2022 | 343.80        | 6,585.60    | 10,794.11           |
| 83       | 2023 | 360.99        | 6,215.92    | 12,134.73           |
| 84       | 2024 | 379.04        | 5,839.13    | 12,814.53           |
| 85       | 2025 | 397.99        | 5,457.08    | 14,404.12           |
| 86       | 2026 | 417.89        | 5,071.03    | 16,086.69           |
| 87       | 2027 | 438.79        | 4,681.97    | 17,833.10           |
| 88       | 2028 | 460.73        | 4,290.83    | 19,568.70           |
| 89       | 2029 | 483.76        | 3,899.32    | 20,903.15           |
| 90       | 2030 | 507.95        | 3,510.52    | 21,709.92           |
| 91       | 2031 | 533.35        | 3,128.28    | 22,098.60           |
| 92       | 2032 | 560.02        | 2,756.95    | 22,026.90           |
| 93       | 2033 | 588.02        | 2,401.06    | 21,479.97           |
| 94       | 2034 | 617.42        | 2,064.76    | 20,472.97           |
| 95       | 2035 | 648.29        | 1,751.64    | 19,052.55           |

|               |             | Expected Claim |
|---------------|-------------|----------------|
| Daily Benefit | Earned Prem | Cost (No COLA) |
| 244.33        | 2,565.00    | 2,899.01       |
| 244.33        | 2,474.38    | 3,117.47       |
| 244.33        | 2,381.82    | 3,315.30       |
| 244.33        | 2,287.03    | 3,730.19       |
| 244.33        | 2,189.98    | 4,541.19       |
| 244.33        | 2,090.78    | 5,193.20       |
| 244.33        | 1,989.45    | 6,080.68       |
| 244.33        | 1,885.91    | 7,084.94       |
| 244.33        | 1,780.05    | 7,585.60       |
| 244.33        | 1,672.14    | 7,629.10       |
| 244.33        | 1,562.74    | 8,167.11       |
| 244.33        | 1,452.19    | 8,686.78       |
| 244.33        | 1,340.77    | 9,171.28       |
| 244.33        | 1,228.76    | 9,584.64       |
| 244.33        | 1,116.64    | 9,750.71       |
| 244.33        | 1,005.30    | 9,644.80       |
| 244.33        | 895.84      | 9,349.98       |
| 244.33        | 789.51      | 8,875.85       |
| 244.33        | 687.59      | 8,243.30       |
| 244.33        | 591.28      | 7,482.70       |
| 244.33        | 501.61      | 6,631.96       |

| \$83,139.74 | \$170,898.82 |
|-------------|--------------|
| Future LR   | 205.6%       |

| \$23,808.63 | \$91,680.51 |  |
|-------------|-------------|--|
| Future LR   | 385.1%      |  |

# Allianz Life Insurance Company of North America National Policy Form Series : 11-P-Q As of 12/31/2014 No Rate Increase, Best Estimate & Pricing Interest Rate

| Year_                   | Earned Premium*              | Incurred Claims*             | Loss Ratio             | Expected Earned Premium | Expected Incurred Claims | Expected Loss<br>Ratio | Actual to Expected |
|-------------------------|------------------------------|------------------------------|------------------------|-------------------------|--------------------------|------------------------|--------------------|
| 2006                    | \$1,720,870                  | \$0                          | 0.0%                   | \$1,720,870             | \$25,129                 | 1.5%                   | 0.0%               |
| 2007                    | \$11,618,948                 | \$226,659                    | 2.0%                   | \$11,606,305            | \$185,947                | 1.6%                   | 121.8%             |
| 2008                    | \$25,153,341                 | \$130,729                    | 0.5%                   | \$25,373,783            | \$499,442                | 2.0%                   | 26.4%              |
| 2009                    | \$34,229,481                 | \$635,798                    | 1.9%                   | \$35,342,763            | \$901,584                | 2.6%                   | 72.8%              |
| 2010                    | \$37,743,853                 | \$688,811                    | 1.8%                   | \$39,139,436            | \$1,344,722              | 3.4%                   | 53.1%              |
| 2011                    | \$36,614,035                 | \$1,564,630                  | 4.3%                   | \$37,583,970            | \$1,794,610              | 4.8%                   | 89.5%              |
| 2012                    | \$35,819,346                 | \$3,303,696                  | 9.2%                   | \$36,290,239            | \$2,309,261              | 6.4%                   | 144.9%             |
| 2013<br>2014            | \$35,211,460<br>\$34,506,297 | \$3,499,104<br>\$2,856,344   | 9.9%<br>8.3%           | \$35,143,453            | \$2,898,768              | 8.2%<br>10.4%          | 120.5%<br>79.3%    |
| 2015                    | \$34,064,272                 | \$5,401,680                  | 15.86%                 | \$34,052,401            | \$3,555,268              | 10.470                 | 19.3%              |
| 2016                    | \$33,044,035                 | \$6,269,638                  | 18.97%                 |                         |                          |                        |                    |
| 2017                    | \$31,356,710                 | \$7,305,943                  | 23.30%                 |                         |                          |                        |                    |
| 2018                    | \$29,790,211                 | \$8,512,855                  | 28.58%                 |                         |                          |                        |                    |
| 2019                    | \$28,371,876                 | \$9,875,616                  | 34.81%                 |                         |                          |                        |                    |
| 2020                    | \$27,188,154                 | \$11,412,193                 | 41.97%                 |                         |                          |                        |                    |
| 2021                    | \$26,236,142                 | \$13,132,739                 | 50.06%                 |                         |                          |                        |                    |
| 2022                    | \$25,236,586                 | \$15,064,505                 | 59.69%                 |                         |                          |                        |                    |
| 2023                    | \$24,231,228                 | \$17,190,795                 | 70.94%                 |                         |                          |                        |                    |
| 2024<br>2025            | \$23,188,385<br>\$22,123,363 | \$19,504,252<br>\$22,012,122 | 84.11%<br>99.50%       |                         |                          |                        |                    |
| 2026                    | \$21,026,841                 | \$24,676,028                 | 117.35%                |                         |                          |                        |                    |
| 2027                    | \$19,914,554                 | \$27,489,237                 | 138.04%                |                         |                          |                        |                    |
| 2028                    | \$18,782,889                 | \$30,374,821                 | 161.72%                |                         |                          |                        |                    |
| 2029                    | \$17,642,668                 | \$33,343,593                 | 188.99%                |                         |                          |                        |                    |
| 2030                    | \$16,500,577                 | \$36,291,501                 | 219.94%                |                         |                          |                        |                    |
| 2031                    | \$15,384,755                 | \$39,154,076                 | 254.50%                |                         |                          |                        |                    |
| 2032                    | \$14,285,334                 | \$41,862,632                 | 293.05%                |                         |                          |                        |                    |
| 2033                    | \$13,208,664                 | \$44,321,731                 | 335.55%                |                         |                          |                        |                    |
| 2034<br>2035            | \$12,159,894                 | \$46,481,509                 | 382.25%<br>433.03%     |                         |                          |                        |                    |
| 2036                    | \$11,146,280<br>\$10,162,983 | \$48,267,253<br>\$49,772,302 | 489.74%                |                         |                          |                        |                    |
| 2037                    | \$9,218,790                  | \$51,497,688                 | 558.62%                |                         |                          |                        |                    |
| 2038                    | \$8,317,494                  | \$53,663,500                 | 645.19%                |                         |                          |                        |                    |
| 2039                    | \$7,464,817                  | \$56,122,122                 | 751.82%                |                         |                          |                        |                    |
| 2040                    | \$6,660,916                  | \$58,449,629                 | 877.50%                |                         |                          |                        |                    |
| 2041                    | \$5,907,805                  | \$60,246,203                 | 1019.77%               |                         |                          |                        |                    |
| 2042                    | \$5,206,150                  | \$61,443,391                 | 1180.21%               |                         |                          |                        |                    |
| 2043                    | \$4,561,546                  | \$61,975,309                 | 1358.65%               |                         |                          |                        |                    |
| 2044<br>2045            | \$3,970,780                  | \$61,839,263<br>\$61,049,514 | 1557.36%<br>1777.46%   |                         |                          |                        |                    |
| 2045                    | \$3,434,658<br>\$2,952,122   | \$59,643,434                 | 2020.36%               |                         |                          |                        |                    |
| 2047                    | \$2,521,066                  | \$57,646,543                 | 2286.59%               |                         |                          |                        |                    |
| 2048                    | \$2,139,170                  | \$55,125,394                 | 2576.95%               |                         |                          |                        |                    |
| 2049                    | \$1,803,624                  | \$52,162,067                 | 2892.07%               |                         |                          |                        |                    |
| 2050                    | \$1,511,233                  | \$48,862,950                 | 3233.32%               |                         |                          |                        |                    |
| 2051                    | \$1,258,519                  | \$45,334,290                 | 3602.19%               |                         |                          |                        |                    |
| 2052                    | \$1,041,842                  | \$41,671,279                 | 3999.77%               |                         |                          |                        |                    |
| 2053                    | \$857,523                    | \$37,951,191                 | 4425.67%               |                         |                          |                        |                    |
| 2054<br>2055            | \$701,933<br>\$571,560       | \$34,266,522                 | 4881.73%               |                         |                          |                        |                    |
| 2056                    | \$571,569<br>\$463,115       | \$30,698,685<br>\$27,301,520 | 5370.95%<br>5895.19%   |                         |                          |                        |                    |
| 2057                    | \$373,491                    | \$24,110,264                 | 6455.38%               |                         |                          |                        |                    |
| 2058                    | \$299,889                    | \$21,154,169                 | 7053.99%               |                         |                          |                        |                    |
| 2059                    | \$239,799                    | \$18,460,424                 | 7698.29%               |                         |                          |                        |                    |
| 2060                    | \$191,002                    | \$16,018,203                 | 8386.41%               |                         |                          |                        |                    |
| 2061                    | \$151,572                    | \$13,832,569                 | 9126.08%               |                         |                          |                        |                    |
| 2062                    | \$119,853                    | \$11,900,581                 | 9929.29%               |                         |                          |                        |                    |
| 2063                    | \$94,446                     | \$10,199,594                 | 10799.45%              |                         |                          |                        |                    |
| 2064                    | \$74,173                     | \$8,709,426                  | 11742.03%              |                         |                          |                        |                    |
| 2065<br>2066            | \$58,058<br>\$45,291         | \$7,411,209<br>\$6,285,222   | 12765.24%<br>13877.56% |                         |                          |                        |                    |
| 2067                    | \$35,208                     | \$5,311,167                  | 15084.95%              |                         |                          |                        |                    |
| 2068                    | \$27,272                     | \$4,478,682                  | 16422.19%              |                         |                          |                        |                    |
| 2069                    | \$21,049                     | \$3,770,503                  | 17912.66%              |                         |                          |                        |                    |
| 2070+                   | \$87,645                     | \$21,351,675                 | 24361.42%              |                         |                          |                        |                    |
|                         |                              | Sumr                         | nary of Experience     |                         | Expected Incurred        | Expected Loss          | Actual to          |
|                         | Earned Premium*              | Incurred Claims*             | Loss Ratio             | Premium                 | <u>Claims</u>            | Ratio                  | Expected           |
| Hisorical (YE2014)      | \$291,996,853                | \$14,146,438                 | 4.8%                   | \$296,407,650           | \$14,957,936             | 5.0%                   | 96.0%              |
| ojected Future (2015 +) | \$368,498,568                | \$655,231,140                | 177.8%                 | . , ,                   | . ,                      |                        |                    |
| . 1 T 10                | \$660,405,420                | \$660 277 570                | 101 20%                |                         |                          |                        |                    |

101.3%

Total Lifetime Anticipated \*Actuals for 2014 and prior

Projected Future (2015 +)

\$660,495,420

\$669,377,579

# Allianz Life Insurance Company of North America Virginia Only Policy Form Series : 11-P-Q-VA As of 12/31/2014 No Rate Increase, Best Estimate & Pricing Interest Rate

| <u>Year</u>                          | Earned Premium*            | Incurred Claims*           | Loss Ratio             |  |
|--------------------------------------|----------------------------|----------------------------|------------------------|--|
| 2006                                 | \$11,466                   | \$0                        | 0.0%                   |  |
| 2007                                 | \$543,553                  | \$0                        | 0.0%                   |  |
| 2008                                 | \$1,248,216                | \$0                        | 0.0%                   |  |
| 2009                                 | \$1,687,135                | \$0                        | 0.0%                   |  |
| 2010                                 | \$1,883,282                | \$52,266                   | 2.8%                   |  |
| 2011                                 | \$1,824,924                | \$0                        | 0.0%                   |  |
| 2012                                 | \$1,777,823                | \$0                        | 0.0%                   |  |
| 2013                                 | \$1,744,916                | \$180,943                  | 10.4%                  |  |
| 2014<br>2015                         | \$1,713,245<br>\$1,696,573 | \$229,746<br>\$214,137     | 13.4%<br>12.62%        |  |
| 2016                                 | \$1,661,398                | \$249,267                  | 15.00%                 |  |
| 2017                                 | \$1,608,575                | \$292,561                  | 18.19%                 |  |
| 2018                                 | \$1,552,864                | \$344,542                  | 22.19%                 |  |
| 2019                                 | \$1,494,357                | \$400,766                  | 26.82%                 |  |
| 2020                                 | \$1,445,050                | \$464,855                  | 32.17%                 |  |
| 2021                                 | \$1,404,574                | \$535,461                  | 38.12%                 |  |
| 2022                                 | \$1,350,599                | \$618,841                  | 45.82%                 |  |
| 2023                                 | \$1,300,278                | \$715,509                  | 55.03%                 |  |
| 2024                                 | \$1,249,326                | \$821,842                  | 65.78%                 |  |
| 2025                                 | \$1,200,392                | \$943,946                  | 78.64%<br>93.59%       |  |
| 2026<br>2027                         | \$1,152,212<br>\$1,099,640 | \$1,078,314<br>\$1,221,218 | 111.06%                |  |
| 2028                                 | \$1,047,866                | \$1,373,772                | 131.10%                |  |
| 2029                                 | \$992,663                  | \$1,542,792                | 155.42%                |  |
| 2030                                 | \$933,832                  | \$1,712,440                | 183.38%                |  |
| 2031                                 | \$879,539                  | \$1,893,552                | 215.29%                |  |
| 2032                                 | \$825,832                  | \$2,076,042                | 251.39%                |  |
| 2033                                 | \$774,625                  | \$2,249,177                | 290.36%                |  |
| 2034                                 | \$724,639                  | \$2,412,123                | 332.87%                |  |
| 2035                                 | \$674,770                  | \$2,568,720                | 380.68%                |  |
| 2036                                 | \$622,587<br>\$574,021     | \$2,713,788<br>\$2,885,961 | 435.89%                |  |
| 2037<br>2038                         | \$527,204                  | \$3,099,327                | 502.76%<br>587.88%     |  |
| 2039                                 | \$483,618                  | \$3,337,226                | 690.05%                |  |
| 2040                                 | \$441,779                  | \$3,568,044                | 807.65%                |  |
| 2041                                 | \$401,841                  | \$3,784,649                | 941.83%                |  |
| 2042                                 | \$363,936                  | \$3,970,886                | 1091.09%               |  |
| 2043                                 | \$328,169                  | \$4,126,591                | 1257.46%               |  |
| 2044                                 | \$294,637                  | \$4,248,174                | 1441.83%               |  |
| 2045                                 | \$263,397                  | \$4,335,156                | 1645.86%               |  |
| 2046                                 | \$234,471                  | \$4,393,662                | 1873.86%               |  |
| 2047<br>2048                         | \$207,858<br>\$183,519     | \$4,416,550<br>\$4,398,930 | 2124.79%<br>2396.99%   |  |
| 2049                                 | \$161,396                  | \$4,337,740                | 2687.64%               |  |
| 2050                                 | \$141,403                  | \$4,243,675                | 3001.12%               |  |
| 2051                                 | \$123,437                  | \$4,123,038                | 3340.20%               |  |
| 2052                                 | \$107,373                  | \$3,972,249                | 3699.49%               |  |
| 2053                                 | \$93,081                   | \$3,799,442                | 4081.87%               |  |
| 2054                                 | \$80,426                   | \$3,611,605                | 4490.59%               |  |
| 2055                                 | \$69,263                   | \$3,414,122                | 4929.21%               |  |
| 2056                                 | \$59,456                   | \$3,208,382                | 5396.23%               |  |
| 2057<br>2058                         | \$50,872                   | \$2,991,998                | 5881.42%<br>6381.26%   |  |
| 2059                                 | \$43,380<br>\$36,864       | \$2,768,189<br>\$2,543,763 | 6900.40%               |  |
| 2060                                 | \$31,210                   | \$2,319,711                | 7432.59%               |  |
| 2061                                 | \$26,328                   | \$2,098,935                | 7972.25%               |  |
| 2062                                 | \$22,127                   | \$1,884,048                | 8514.70%               |  |
| 2063                                 | \$18,519                   | \$1,674,539                | 9042.28%               |  |
| 2064                                 | \$15,436                   | \$1,475,993                | 9562.02%               |  |
| 2065                                 | \$12,817                   | \$1,289,278                | 10059.12%              |  |
| 2066                                 | \$10,594                   | \$1,113,762                | 10513.14%              |  |
| 2067                                 | \$8,722                    | \$953,634                  | 10933.66%              |  |
| 2068                                 | \$7,148                    | \$810,604                  | 11340.29%              |  |
| 2069<br>2070+                        | \$5,830<br>\$28,315        | \$684,775<br>\$3,875,543   | 11745.71%<br>13687.24% |  |
| 2010T                                | 920,313                    | φυ,010,043                 | 15007.2470             |  |
| Summary of Experience at 4% Interest |                            |                            |                        |  |
|                                      | Earned Premium*            | Incurred Claims*           | Loss Ratio             |  |
| Hisorical (YE2014)                   | \$14,348,473               | \$488,558                  | 3.4%                   |  |
| Projected Future (2015 +)            | \$20,155,439               | \$41,253,319               | 204.7%                 |  |
| Total Lifetime Anticipated           | \$34,503,912               | \$41,741,877               | 121.0%                 |  |
|                                      |                            |                            |                        |  |

\*Actuals for 2014 and prior

# Allianz Life Insurance Company of North America National Policy Form Series : 11-P-Q As of 12/31/2014 60% Rate Increase, Best Estimate & Pricing Interest Rate

| V                          | E 10 : *                                | L I GI: *                        | I D                   |
|----------------------------|---|----------------------------------|-----------------------|
| <u>Year</u>                | Earned Premium*                         | Incurred Claims*                 | Loss Ratio            |
| 2006                       | \$1,720,870                             | \$0                              | 0.0%                  |
| 2007                       | \$11,618,948                            | \$226,659                        | 2.0%                  |
| 2008<br>2009               | \$25,153,341<br>\$34,229,481            | \$130,729<br>\$635,798           | 0.5%<br>1.9%          |
| 2010                       | \$37,743,853                            | \$688,811                        | 1.8%                  |
| 2011                       | \$36,614,035                            | \$1,564,630                      | 4.3%                  |
| 2012                       | \$35,819,346                            | \$3,303,696                      | 9.2%                  |
| 2013                       | \$35,211,460                            | \$3,499,104                      | 9.9%                  |
| 2014<br>2015               | \$34,506,297<br>\$31,778,831            | \$2,856,344<br>\$5,207,896       | 8.3%<br>16.39%        |
| 2016                       | \$33,052,800                            | \$6,058,493                      | 18.33%                |
| 2017                       | \$43,819,644                            | \$7,163,639                      | 16.35%                |
| 2018                       | \$43,682,301                            | \$8,361,271                      | 19.14%                |
| 2019                       | \$41,580,101                            | \$9,685,466                      | 23.29%                |
| 2020<br>2021               | \$39,866,164<br>\$38,522,510            | \$11,163,272<br>\$12,801,792     | 28.00%<br>33.23%      |
| 2022                       | \$37,107,976                            | \$14,636,888                     | 39.44%                |
| 2023                       | \$35,683,644                            | \$16,651,902                     | 46.67%                |
| 2024                       | \$34,202,307                            | \$18,839,505                     | 55.08%                |
| 2025                       | \$32,682,411                            | \$21,203,410                     | 64.88%                |
| 2026<br>2027               | \$31,111,280<br>\$29,514,268            | \$23,706,391<br>\$26,344,523     | 76.20%<br>89.26%      |
| 2028                       | \$27,884,812                            | \$29,042,446                     | 104.15%               |
| 2029                       | \$26,236,404                            | \$31,806,035                     | 121.23%               |
| 2030                       | \$24,580,882                            | \$34,544,092                     | 140.53%               |
| 2031                       | \$22,961,822                            | \$37,193,910                     | 161.98%               |
| 2032<br>2033               | \$21,363,053<br>\$19,789,957            | \$39,693,479<br>\$41,945,205     | 185.80%<br>211.95%    |
| 2034                       | \$18,254,782                            | \$43,905,649                     | 240.52%               |
| 2035                       | \$16,766,378                            | \$45,517,608                     | 271.48%               |
| 2036                       | \$15,319,879                            | \$46,863,661                     | 305.90%               |
| 2037                       | \$13,922,589                            | \$48,419,772                     | 347.78%               |
| 2038<br>2039               | \$12,584,912<br>\$11,316,566            | \$50,387,838<br>\$52,624,699     | 400.38%<br>465.02%    |
| 2040                       | \$10,116,502                            | \$54,737,193                     | 541.07%               |
| 2041                       | \$8,988,518                             | \$56,351,923                     | 626.93%               |
| 2042                       | \$7,934,380                             | \$57,411,038                     | 723.57%               |
| 2043                       | \$6,963,432                             | \$57,851,393                     | 830.79%               |
| 2044<br>2045               | \$6,071,754<br>\$5,260,112              | \$57,668,358<br>\$56,886,647     | 949.78%<br>1081.47%   |
| 2046                       | \$4,527,453                             | \$55,541,386                     | 1226.77%              |
| 2047                       | \$3,871,394                             | \$53,644,859                     | 1385.67%              |
| 2048                       | \$3,288,841                             | \$51,266,429                     | 1558.80%              |
| 2049                       | \$2,775,935                             | \$48,481,712                     | 1746.50%              |
| 2050<br>2051               | \$2,328,112<br>\$1,940,374              | \$45,387,874<br>\$42,085,229     | 1949.56%<br>2168.92%  |
| 2052                       | \$1,607,401                             | \$38,666,178                     | 2405.51%              |
| 2053                       | \$1,323,747                             | \$35,198,020                     | 2658.97%              |
| 2054                       | \$1,083,990                             | \$31,767,357                     | 2930.60%              |
| 2055                       | \$882,883                               | \$28,449,296                     | 3222.32%              |
| 2056<br>2057               | \$715,435<br>\$576,976                  | \$25,289,164<br>\$22,320,277     | 3534.80%<br>3868.49%  |
| 2058                       | \$463,214                               | \$19,570,035                     | 4224.84%              |
| 2059                       | \$370,281                               | \$17,064,896                     | 4608.63%              |
| 2060                       | \$294,825                               | \$14,794,401                     | 5018.03%              |
| 2061                       | \$233,872                               | \$12,762,569                     | 5457.07%              |
| 2062<br>2063               | \$184,853<br>\$145,595                  | \$10,966,735<br>\$9,386,560      | 5932.68%<br>6447.03%  |
| 2064                       | \$114,298                               | \$8,004,297                      | 7003.01%              |
| 2065                       | \$89,463                                | \$6,801,931                      | 7603.07%              |
| 2066                       | \$69,775                                | \$5,760,560                      | 8255.91%              |
| 2067                       | \$54,251<br>\$42,035                    | \$4,861,032                      | 8960.26%              |
| 2068<br>2069               | \$42,035<br>\$32,468                    | \$4,093,270<br>\$3,441,735       | 9737.77%<br>10600.39% |
| 2070+                      | \$135,320                               | \$19,495,024                     | 14406.61%             |
|                            |   |                                  |                       |
| Sum                        | mary of Experience                      |                                  | Loss D-4              |
| Hisorical (YE2014)         | <u>Earned Premium*</u><br>\$291,996,853 | Incurred Claims*<br>\$14,146,438 | Loss Ratio<br>4.8%    |
| Projected Future (2015 +)  | \$510,090,252                           | \$618,757,200                    | 121.3%                |
| Total Lifetime Anticipated | \$802,087,105                           | \$632,903,638                    | 78.9%                 |
|                            |   |                                  |                       |

<sup>\*</sup>Actuals for 2014 and prior

#### Allianz Life Insurance Company of North America Virginia Only Policy Form Series : 11-P-Q-VA As of 12/31/2014

60% Rate Increase, Best Estimate & Pricing Interest Rate

| <u>Year</u>                | Earned Premium*            | Incurred Claims*           | Loss Ratio           |
|----------------------------|----------------------------|----------------------------|----------------------|
| 2006                       | \$11,466                   | \$0                        | 0.0%                 |
| 2007                       | \$543,553                  | \$0                        | 0.0%                 |
| 2008                       | \$1,248,216                | \$0                        | 0.0%                 |
| 2009                       | \$1,687,135                | \$0                        | 0.0%                 |
| 2010                       | \$1,883,282                | \$52,266                   | 2.8%                 |
| 2011                       | \$1,824,924                | \$0                        | 0.0%                 |
| 2012                       | \$1,777,823                | \$0                        | 0.0%                 |
| 2013                       | \$1,744,916                | \$180,943                  | 10.4%                |
| 2014                       | \$1,713,245                | \$229,746                  | 13.4%                |
| 2015<br>2016               | \$1,583,226<br>\$1,666,199 | \$211,305<br>\$246,729     | 13.35%               |
| 2017                       | \$2,350,617                | \$240,729                  | 14.81%<br>12.57%     |
| 2017                       | \$2,404,061                | \$349,406                  | 14.53%               |
| 2019                       | \$2,317,644                | \$406,331                  | 17.53%               |
| 2020                       | \$2,242,614                | \$469,806                  | 20.95%               |
| 2021                       | \$2,181,274                | \$537,837                  | 24.66%               |
| 2022                       | \$2,097,049                | \$618,484                  | 29.49%               |
| 2023                       | \$2,019,986                | \$711,268                  | 35.21%               |
| 2024                       | \$1,941,410                | \$812,406                  | 41.85%               |
| 2025                       | \$1,866,795                | \$928,414                  | 49.73%               |
| 2026                       | \$1,793,439                | \$1,055,013                | 58.83%               |
| 2027                       | \$1,712,993                | \$1,189,805                | 69.46%               |
| 2028                       | \$1,633,834                | \$1,332,310                | 81.55%               |
| 2029                       | \$1,548,597                | \$1,488,412                | 96.11%               |
| 2030                       | \$1,457,535                | \$1,644,980                | 112.86%              |
| 2031                       | \$1,373,605                | \$1,811,131                | 131.85%              |
| 2032                       | \$1,290,432                | \$1,977,822                | 153.27%              |
| 2033                       | \$1,211,385                | \$2,135,333                | 176.27%              |
| 2034                       | \$1,134,155                | \$2,281,820                | 201.19%              |
| 2035                       | \$1,057,636                | \$2,420,498                | 228.86%              |
| 2036<br>2037               | \$980,059<br>\$904,223     | \$2,548,134<br>\$2,702,813 | 260.00%<br>298.91%   |
| 2037                       | \$831,010                  | \$2,896,692                | 348.57%              |
| 2039                       | \$762,891                  | \$3,111,743                | 407.89%              |
| 2040                       | \$697,391                  | \$3,317,846                | 475.75%              |
| 2041                       | \$634,761                  | \$3,508,887                | 552.79%              |
| 2042                       | \$575,231                  | \$3,672,069                | 638.36%              |
| 2043                       | \$518,991                  | \$3,805,781                | 733.30%              |
| 2044                       | \$466,196                  | \$3,906,713                | 838.00%              |
| 2045                       | \$416,959                  | \$3,977,654                | 953.97%              |
| 2046                       | \$371,327                  | \$4,023,893                | 1083.65%             |
| 2047                       | \$329,306                  | \$4,034,361                | 1225.11%             |
| 2048                       | \$290,852                  | \$4,007,237                | 1377.76%             |
| 2049                       | \$255,879                  | \$3,937,659                | 1538.88%             |
| 2050                       | \$224,264                  | \$3,838,037                | 1711.39%             |
| 2051                       | \$195,850                  | \$3,715,137                | 1896.93%             |
| 2052                       | \$170,441                  | \$3,567,204                | 2092.93%             |
| 2053                       | \$147,836                  | \$3,400,753<br>\$3,222,792 | 2300.36%             |
| 2054<br>2055               | \$127,817<br>\$110,164     | \$3,036,402                | 2521.41%<br>2756.26% |
| 2056                       | \$94,656                   | \$2,844,067                | 3004.63%             |
| 2057                       | \$81,079                   | \$2,644,331                | 3261.43%             |
| 2058                       | \$69,230                   | \$2,439,477                | 3523.73%             |
| 2059                       | \$58,927                   | \$2,235,938                | 3794.42%             |
| 2060                       | \$49,994                   | \$2,034,540                | 4069.57%             |
| 2061                       | \$42,275                   | \$1,837,868                | 4347.41%             |
| 2062                       | \$35,622                   | \$1,648,033                | 4626.45%             |
| 2063                       | \$29,914                   | \$1,464,473                | 4895.61%             |
| 2064                       | \$25,026                   | \$1,291,995                | 5162.61%             |
| 2065                       | \$20,863                   | \$1,131,084                | 5421.48%             |
| 2066                       | \$17,324                   | \$980,626                  | 5660.51%             |
| 2067                       | \$14,331                   | \$844,022                  | 5889.48%             |
| 2068                       | \$11,806                   | \$722,020                  | 6115.70%             |
| 2069                       | \$9,686                    | \$614,756                  | 6346.85%             |
| 2070+                      | \$47,855                   | \$3,637,265                | 7600.60%             |
| Sun                        | nmary of Experience        | at 4% Interest             |                      |
| Sun                        | Earned Premium*            | Incurred Claims*           | Loss Ratio           |
| Hisorical (YE2014)         |                            | \$488,558                  | 3.4%                 |
| Projected Future (2015 +)  |                            | \$38,431,246               | 130.9%               |
| Total Lifetime Anticipated |                            | \$38,919,804               | 89.0%                |
|                            |                            |                            |                      |
|                            |                            |                            |                      |

<sup>\*</sup>Actuals for 2014 and prior

#### Exhibit 8 58/85 Calculations Allianz Life Insurance of North America National

 $Following \ the \ format \ of Section \ 20(C)(2) \ of \ Model \ 641 \ (Long-Term \ Care \ Insurance \ Model \ Regulation), \ the \ "58/85" \ calculation \ is \ as \ follows \ (all \ dollar \ values \ in \ millions):$ 

| a) | The accumulated value of the initial earned premium is 58% of this value:  | 292.00<br>169.36                   |
|----|--|------------------------------------|
| b) | The accumulated value of prior premium rate schedule increases is 85% of this value:   | 0.00<br>0.00                       |
| c) | The present value of future projected initial earned premiums is 58% of this value:  | 368.50<br>213.73                   |
| d) | The present value of future projected earned premium from prior premium rate schedule increases is PV of future projected EP from 60% increase:  Combined:  85% of this value: | 0.00<br>141.59<br>141.59<br>120.35 |
| e) | The accumulated value of past incurred claims is The present value of future projected incurred claims is sum of these 2 values:   | 14.15<br>720.75<br>734.90          |
| f) | The sum of a,b,c and d is This amount is less than e)  | 503.44<br>734.90                   |

<sup>\*</sup>Maximum justified rate increase is over 110%

### National Impact on Premiums

### Allianz Life Insurance of North America

| Policy Form: 11- | P-O |
|------------------|-----|
|------------------|-----|

| Assumption          | Original Pricing Assumption  | Current Best Estimate Assumption   |
|---------------------|--|--|
| Original Loss Ratio | 65.50%   | N/A  |
| Morbidity           | Claim Cost Development Morbidity – Claim costs were developed using Milliman, USA's 2002 edition of their Long Term Care Guidelines (Guidelines). The Guidelines were developed from public sources as well as an internal database of \$1.8 billion of Long Term Care insurance claims. Milliman then created and validated the morbidity adjustment factors using their Long Term Care insurance claim data base. Allianz then made some additional adjustments to ensure consistency with several additional sources of claim costs, including the 1997 National Nursing Home Study, and two long term care reinsurers. | The impact of underwriting has worn off and the  |
| Mortality           | Mortality - 1994 Group Annuity Reserving Table, with select factors of .5, .6, .7, .8, .9, 1.0 (years 6+)  | The projected future experience uses 80% of the gender-distinct 1994 GAM table for mortality without future improvements.  |
| Lapse               | ■  | 2 3.40 %<br>3 2.20 %   |
| Interest Rate       | 4.00%  | 4.00%  |
| Expense             | Acquisition - See table 10.2 on next page An additional 12.5% of first year premiums - for acquisition costs An additional 14% of first year premiums - for marketing expenses Maintenance: \$65 all years Claims Administration: 4% (for \$50 - \$99 daily benefit) and 6% (for \$100 - \$500 daily benefit) of base incurred claims, (excludes COLA portion of claims) (5% used for simplified underwriting) Percent of Premium: 2.5% of gross premium   | Changes in expense are not used to justify the rate increase and are not included in this analysis. It is assumed that original expense assumptions are still appropriate. |

Table 9.1 - Lapse Rates

| Table 3.1 | 5.1 - Lapse Nates |                        |             |  |  |  |  |  |
|-----------|-------------------|------------------------|-------------|--|--|--|--|--|
|           |                   | INDIVIDUAL POLICY      |             |  |  |  |  |  |
|           | No                | 3% and 4% Lifetime     | 5% Lifetime |  |  |  |  |  |
|           | COLA              | Compound, 2X Compound, | Compound    |  |  |  |  |  |
|           |                   | and 5% Simple          |             |  |  |  |  |  |
| Yr 1      | 7.00%             | 6.00%                  | 5.00%       |  |  |  |  |  |
| 2         | 6.00%             | 5.00%                  | 4.00%       |  |  |  |  |  |
| 3         | 5.00%             | 4.00%                  | 3.00%       |  |  |  |  |  |
| 4         | 3.50%             | 2.75%                  | 2.00%       |  |  |  |  |  |
| 5+        | 2.25%             | 1.75%                  | 1.25%       |  |  |  |  |  |

|      | INDIVIDUAL POLICY WITH TEN-YEAR PREMIUM PAYMENT RIDER |                        |             |  |  |  |
|------|---|------------------------|-------------|--|--|--|
|      | No  | 3% and 4% Lifetime     | 5% Lifetime |  |  |  |
|      | COLA  | Compound, 2X Compound, | Compound    |  |  |  |
|      |   | and 5% Simple          |             |  |  |  |
| Yr 1 | 7.00%   | 6.00%                  | 5.00%       |  |  |  |
| 2    | 6.00%   | 5.00%                  | 4.00%       |  |  |  |
| 3    | 5.00%   | 4.00%                  | 3.00%       |  |  |  |
| 4    | 3.50%   | 2.75%                  | 2.00%       |  |  |  |
| 5+   | 2.25%   | 1.75%                  | 1.25%       |  |  |  |
| 6    | 1.80%   | 1.40%                  | 1.00%       |  |  |  |
| 7    | 1.35%   | 1.05%                  | 0.75%       |  |  |  |
| 8    | 0.90%   | 0.70%                  | 0.50%       |  |  |  |
| 9    | 0.45%   | 0.35%                  | 0.25%       |  |  |  |
| 10+  | 0.00%   | 0.00%                  | 0.00%       |  |  |  |

|      |       | WITH SPOUSAL DISCOUNT RI | DER         |
|------|-------|--------------------------|-------------|
| No   |       | 3% and 4% Lifetime       | 5% Lifetime |
|      | COLA  | Compound, 2X Compound,   | Compound    |
|      |       | and 5% Simple            |             |
| Yr 1 | 6.00% | 4.50%                    | 3.00%       |
| 2    | 4.00% | 3.00%                    | 2.00%       |
| 3    | 3.00% | 2.25%                    | 1.50%       |
| 4    | 2.50% | 1.75%                    | 1.00%       |
| 5+   | 2.00% | 1.50%                    | 1.00%       |

|      | WITH SPOUSAL DISCOUND RIDER AND WITH TEN-YEAR PREMIUM PAYMENT RIDER |                               |          |  |  |  |
|------|---|-------------------------------|----------|--|--|--|
|      | No  | 3% and 4% Lifetime 5% Lifetim |          |  |  |  |
|      | COLA  | Compound, 2X Compound,        | Compound |  |  |  |
|      |   | and 5% Simple                 |          |  |  |  |
| Yr 1 | 6.00%   | 4.50%                         | 3.00%    |  |  |  |
| 2    | 4.00%   | 3.00%                         | 2.00%    |  |  |  |
| 3    | 3.00%   | 2.25%                         | 1.50%    |  |  |  |
| 4    | 2.50%   | 1.75%                         | 1.00%    |  |  |  |
| 5+   | 2.00%   | 1.50%                         | 1.00%    |  |  |  |
| 6    | 1.60%   | 1.20%                         | 0.80%    |  |  |  |
| 7    | 1.20%   | 0.90%                         | 0.60%    |  |  |  |
| 8    | 0.80%   | 0.60%                         | 0.40%    |  |  |  |
| 9    | 0.40%   | 0.30%                         | 0.20%    |  |  |  |
| 10+  | 0.00%   | 0.00%                         | 0.00%    |  |  |  |

Table 9.2 - Acquisition Expense

|          | Regular | Simplified   |
|----------|---------|--------------|
| Age      |         | Underwriting |
| 18-44    | \$510   | \$314        |
| 45-49    | \$520   | \$320        |
| 50-54    | \$525   | \$323        |
| 55-59    | \$550   | \$338        |
| 60-64    | \$610   | \$375        |
| 65-69    | \$680   | \$418        |
| 70-74    | \$1,150 | \$708        |
| 75-79    | \$1,400 | \$862        |
| 80-84    | \$1,500 | \$923        |
|          |         |              |
| Avg Cost | \$650   | \$400        |

#### VIRGINIA READABILITY COMPLIANCE CERTIFICATION

For use with policy forms submitted on or after July 1, 1982

| Name and Address of Insurer            | Allianz Life Insurance Company of North America<br>5701 Golden Hills Drive<br>Minneapolis, MN 55416-1297  |
|--|---|
| Title of Form Policyholder Rate Increa | ase Notification Letter   |
| Policy Form Number <u>S2280-VA</u>     |   |
| · -                                    | reading ease score of the above policy form is $\_$ 51 $\_$ . It contains and $\_$ 3,844 $\_$ syllables. The type size of the text of the policy forms is eaded.          |
| Section 38.2-3404 of the Code of \     | knowledge and belief that the policy form is in compliance with /irginia and with the Rules and Regulations for Simplified and surance Policies adopted pursuant thereto. |
|  | Signature of an Officer of the Insurer  |
| Steve Thiel                            | Name (Print)  |
| Vice President Actuary                 | Title   |
| 4/5/16                                 | Date  |



#### Allianz Life Insurance Company of North America Statement of Variability 3/17/2016

Variable material is denoted by the use of brackets. This Policyholder Letter will be mailed to communicate the effects of the rate increase as well as policyholder options.

#### **GP2 Policyholder Notification Letter (S2280-VA)**

| Variable           | Minimum   | Maximum      | Current           | Effective | Comments  |
|--------------------|-----------|--------------|-------------------|-----------|---|
| Font               | N/A       | N/A          | Times New         | N/A       | Font displayed on final forms may vary due to printer configurations. Font sizing and layout    |
|                    |           |              | Roman             |           | will not change. If we opt to use a different font that is not a state-recognized font, we will |
|                    |           |              |                   |           | prepare and submit any required filings at the time of the change.                              |
| Date               | N/A       | N/A          | N/A - Policy      | N/A       | Policy Specific   |
| Owner First Name   |           |              | Specific          |           |   |
| Owner Middle Name  |           |              |                   |           |   |
| Owner Last Name    |           |              |                   |           |   |
| Owner Address L1   |           |              |                   |           |   |
| Owner Address L2   |           |              |                   |           |   |
| Owner City         |           |              |                   |           |   |
| Owner State        |           |              |                   |           |   |
| Owner Zip          |           |              |                   |           |   |
| Owner Zip Rest     |           |              |                   |           |   |
| Policy Number      |           |              |                   |           |   |
| Overall Increase % | 0%        | 999%         | N/A - Policy      | N/A       | Aggregate new rate increase for the policy. Note that this will only reflect rate increase      |
|                    |           |              | Specific          |           | percentages approved by the Virginia BOI.   |
| Billed Premium     | \$0.00    | \$999,999.99 | N/A - Policy      | N/A       | Current modal premium for the policy  |
|                    |           |              | Specific          |           |   |
| Bill Mode          | N/A       | N/A          | N/A - Policy      | N/A       | The current Bill Mode of the policy (e.g. Annually, Semi-annually, Quarterly, Monthly,          |
|                    |           |              | Specific          |           | etc).   |
| anniversary1       | 3/17/2016 | 12/31/2100   | N/A - Policy      | N/A       | Policy anniversary when phase 1 of the rate increase will be effective                          |
|                    |           |              | Specific          |           |   |
| adj'd billing1     | \$0.00    | \$999,999.99 | N/A - Policy      | N/A       | Modal premium after phase 1 of the rate increase.   |
|                    |           |              | Specific          |           |   |
| Call Center Phone  | N/A       | N/A          | 800.789.6896      | N/A       | Phone number for our customer service representatives, which may change                         |
| Number             |           |              |                   |           |   |
| Call Center Open   | N/A       | N/A          | 8:00 a.m. to 5:00 | N/A       | Opening times for our customer service representatives, which may change                        |
| Times              |           |              | p.m. CST          |           |   |
| Individual's name  | N/A       | N/A          | Stephen Kennedy   | N/A       | Name may change   |
| Individual's title | N/A       | N/A          | Senior Vice       | N/A       | Title may change  |
|                    |           |              | President of      |           |   |
|                    |           |              | Operations        |           |   |



| cc:<br>Agent First Name<br>Agent Middle Name<br>Agent Last Name | N/A | N/A | N/A - Policy<br>Specific | N/A | If the policyholder does not have an active agent on record, then we will not print these fields.  If the policyholder does have an active agent on record, then we will print these fields based on policy-specific data.   |
|---|-----|-----|--------------------------|-----|--|
| Partnership status  | N/A | N/A | N/A - Policy<br>Specific | N/A | If the policy does not have partnership status, then this line will not print.  If the policy has partnership status, then the following line will print:  (Additionally, please note that some benefit reduction options may result in a loss in Virginia state partnership status that, which may reduce policyholder protections.)  |
| COLA Reduction<br>Message                                       | N/A | N/A | N/A - Policy<br>Specific | N/A | If the policy does not have a COLA rider, this entire bullet will not be printed.  If the policy does have a COLA rider, the following will be printed (note there is additional variation bracketed below)  • Until [COLA Vesting Date], you may cancel the [COLA Rider] while keeping the rider's accrued benefit increase percentages as of the time of cancellation. After the rider is cancelled, the applicable benefit amount(s) will no longer increase. [You also have the option to exchange the [COLA Rider] for [the 4% Lifetime Compound Benefit Increase Rider,] the 3% Lifetime Compound Benefit Increase Rider[, or the Simple Benefit Increase Rider].] Note that this offer is only available if we receive written notice requesting the change before [COLA Vesting Date]. [Also, [reducing or] cancelling the [COLA Rider] may result in a loss of your state partnership status, which may reduce policyholder protections.]  Note that policyholders could have one of the following riders:  5% Lifetime Compound Benefit Increase Rider  4% Lifetime Compound Benefit Increase Rider  Simple Benefit Increase Rider  Two Times Compound Benefit Increase Rider  Two Times Compound Plus Rider |
| COLA Vesting Date   | N/A | N/A | N/A - Policy<br>Specific | N/A | The date until which the COLA vesting options under COLA Reduction Message are available to the policyholder.  (Note: This will only print if COLA Reduction Message prints.)  |
| COLA Rider  | N/A | N/A | N/A - Policy<br>Specific | N/A | The current COLA rider attached to the policy. Policyholders could have one of the following riders:  5% Lifetime Compound Benefit Increase Rider  4% Lifetime Compound Benefit Increase Rider  3% Lifetime Compound Benefit Increase Rider  Simple Benefit Increase Rider  Two Times Compound Benefit Increase Rider  Two Times Compound Plus Rider  (Note: This will only print if COLA Reduction Message prints.)   |



| COLA Rider<br>Exchange Message | N/A | N/A | N/A - Policy<br>Specific | N/A | If the policy has a 5% Lifetime Compound Benefit Increase Rider, we will print the following message:  You also have the option to exchange the 5% Lifetime Compound Benefit Increase Rider for the 4% Lifetime Compound Benefit Increase Rider, the 3% Lifetime Compound Benefit Increase Rider.  If the policy has a 4% Lifetime Compound Benefit Increase Rider, we will print the following message:  You also have the option to exchange the 4% Lifetime Compound Benefit Increase Rider for the 3% Lifetime Compound Benefit Increase Rider.  If the policy does not have either the 5% Lifetime Compound Benefit Increase Rider or the 4% Lifetime Compound Benefit Increase Rider, then this message will not print.   |
|--------------------------------|-----|-----|--------------------------|-----|---|
| COLA Partnership status        | N/A | N/A | N/A - Policy<br>Specific | N/A | If the policy either does not have partnership status, or does not have a COLA rider, this message will not print.  If the policy has partnership status, and either the 5% Lifetime Compound Benefit Increase Rider or the 4% Lifetime Compound Benefit Increase Rider then we will print (note there is additional variation bracketed below)  Also, reducing or cancelling the [COLA Rider] may result in a loss of your state partnership status, which may reduce policyholder protections.  If the policy has partnership status, but has a COLA rider apart from the 5% Lifetime Compound Benefit Increase Rider or the 4% Lifetime Compound Benefit Increase Rider then we will print (note there is additional variation bracketed below)  Also, cancelling the [COLA Rider] may result in a loss of your state partnership status, which may reduce policyholder protections. |
| Latest Election Date           | N/A | N/A | N/A - Policy<br>Specific | N/A | The date until which the options under the Premium Increase Contingent Upon Lapse Rider are available to the policyholder.  |

Allianz Life Insurance Company of North America PO Box 59060 Minneapolis, MN 55459-0060 [800.789.6896]



| Coverage Change Request Form   |   |      |  |
|--|---|------|--|
| Policy   | number [Policy Number]  |      |  |
| Please use this form to request a change in your long term care insurance coverage. Before you make any changes, we strongly encourage you to contact one of our customer service representatives at [800.789.6896], weekdays from [8:00 a.m. to 5:00 p.m. CST]. They can provide you with details about your options, and help you determine how changes to your long term care insurance coverage will impact your benefits and premium payments. You can also contact us or your Allianz agent for help with this form. |   |      |  |
| Please indicate your coverage change selection(s) by checking the options below.   |   |      |  |
| This form must be signed and dated, where indicated, on the back page in order to be processed.  |   |      |  |
| Remember that, if you have state partnership status, cancelling or reducing some optional riders may   |   |      |  |
| result in the loss of your state partnership status, which may reduce policyholder protections.  |   |      |  |
| Option B: Lessen the impact of the rate increase on your premiums through benefit reduction(s) or rider cancellation(s). I understand if I request either the cancel or exchange options below for the Benefit Increase Rider, to keep the current rider's accrued benefit increase percentages as of the time of cancellation, this form must be received by Allianz on or before [Latest Election Date].   |   |      |  |
| □ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □ □  | Reduce my Daily (or Monthly) Benefit from \$ to to days to Reduce my Elimination Period from days to Reduce the following benefit(s) for my policy:  it from  | days |  |
|  | it from   |      |  |
|  | Cancel the following optional rider(s) or benefit(s) from m   |      |  |
|  | Exchange the existing optional% Lifetime Compound Benefit Increase Rider currently on my policy for the lower Benefit Increase Rider selected below. Please note this option is only available if you currently have the 4% Lifetime Compound Benefit Increase Rider or the 5% Lifetime Compound Benefit Increase Rider.  4% Lifetime Compound Benefit Increase Rider 3% Lifetime Compound Benefit Increase Rider 5% Simple Benefit Increase Rider (this option is available only if you currently have the 5% Lifetime |      |  |

S2281 (03/2016)

Compound Benefit Increase Rider)

| ned Premium Increase Contingent Benefit Upon e Benefit or Benefit Amount. I understand if I Allianz on or before [Latest Election Date].  |  |
|---|--|
| I wish to exercise the Premium Increase Contingent Benefit Upon Lapse Rider and request a Reduced Paid Up Benefit.  Please note: As this paid-up option starts on the effective date of the premium increase, you must continue coverage to that date by paying the required premiums. No additional premium will be due after that date. |  |
| verage with a reduced Maximum Lifetime Benefit<br>rfeiture Rider or Return of Premium Rider that  |  |
| I wish to exercise an available option under a Non-Forfeiture or Return of Premium Rider benefit on my policy. In doing so, my maximum lifetime benefit amount will be replaced with the amount specified in my rider.  |  |
| m. I agree that once processed, the policy benefit changes  |  |
| [Co-Owner First Name] [Co-Owner Middle Name] [Co-Owner Last Name]   |  |
| Joint owner name (printed – if applicable)  |  |
| Date Signed   |  |
| Date Signed   |  |
|   |  |

#### Please indicate your change selection, sign, date and return this form to:

Allianz Life Insurance Company of North America

ATTN: Policy Administration

PO Box 59060

Minneapolis, MN 55459-0060

Fax: 763.582.6002

S2281 (03/2016)

Draft Version, Submitted for Informational Purposes Only [Date]

[Owner First Name] [Owner Middle Name] [Owner Last Name] [Owner Address L1] [Owner Address L2] [Owner City], [Owner State] [Owner Zip] [Owner Zip Rest]

#### [Policy Number]

Important notice of increase in your long term care insurance premium with time-sensitive options

Dear policyholder,

At Allianz Life Insurance Company of North America, our highest priority is fulfilling our commitments to our policyholders. As a result, we need to increase the premium rates on your long term care policy.

We want you to know that we took this decision very seriously and weighed several options before filing a [XX%] premium increase with the [Issue State] insurance department, where it has been reviewed and approved. Your premiums will be guaranteed not to increase for [4 years] after the effective date of this rate increase. We will continue to assess our experience and it is possible that we will file for additional rate increases after the [4] year period.

#### Your premium increase

Based on your current benefits, your premium will increase from [\$XXX.XX] [policy mode] to [\$XXX.XX] [policy mode]. The increase will be effective with your first bill or bank draft for premium due on or after your upcoming policy anniversary. Any recent changes to your policy may not be reflected in the premium noted above.

#### Your options

We understand that this premium increase may significantly impact some of our policyholders. That's why we are offering the flexibility to choose among the following options:

A. **Maintain your current benefit amounts** by paying the increased premium.

If you wish to elect any of the other options (B through E), please complete the coverage change request form and return it to us.

- B. Avoid the rate increase by cancelling the [5% Compound Cost of Living Adjustment Rider]. If you choose to terminate this rider, the applicable benefit amount(s) will no longer increase. However, provided cancellation is received within [90 days] of this rate increase effective date all previous benefit increases under the rider will be vested and will remain at the levels as they exist at the time of termination. Please see attached Benefit Change Endorsement.
- C. Lessen the impact of the rate increase on your premiums by reducing benefit amounts and/or benefit periods. You may also consider reducing or terminating optional riders that you purchased with your policy. Such benefit reduction(s) or rider termination(s) may fully or partially offset the premium increase. Please note: benefit amounts must not be less than any minimum policy requirements. The option to reduce or cancel benefit increase riders is only available before the Latest Election Date shown on the attached rider schedule.
- D. Elect options available through a Non-Forfeiture Rider or Return of Premium Rider that may be included with your policy and have your contract converted to paid-up coverage with a reduced Maximum Lifetime Benefit or Benefit Amount. Premiums will no longer be required after the start of

Draft Version, Submitted for Informational Purposes Only the paid-up coverage. Please refer to the specific rider attached to your policy for additional details regarding the rider terms.

E. Elect the paid-up option in the attached Premium Increase Contingent Benefit Upon Lapse Rider with a reduced Maximum Lifetime Benefit or Benefit Amount. See the attached rider for details. Please note that there is a time limit on this election and we must receive your request prior to [Latest Election Date].. There is no charge for this rider. However, because this paid-up option starts on your upcoming anniversary date, you must continue coverage to that policy anniversary date. This can only happen if all premiums associated with this period are paid.

If you wish to elect any of the other options (B through E), please complete the coverage change request form and return it to us.

One of the factors that help us keep our commitments is the premium we collect from policyholders like you. When we issued your policy, we based your premium rates on the information and projections available to us at that time. But based on our actual experience, it's clear we will need to pay substantially more claims than anticipated.

Please be assured that our decision to increase premiums is based solely on the total future increased claims we now anticipate. We are not giving anyone preferential treatment, nor do the premium increases in any way reflect an individual policyholder's advance in age or deteriorated health status.

In an effort to balance our policyholders' needs with the long-term viability of our policies, we must increase the premium rates for the inflation protection rider on long term care insurance policies, including yours. The possibility of a premium increase is disclosed on the first page of your policy.

#### We're here to help

Before you make any changes, we strongly encourage you to speak with your licensed agent, or to contact one of our customer service representatives at 800.789.6896 weekdays from 7:00 a.m. to 5:00 p.m CST. They can provide you with details about your options, and help you determine how changes to your long term care insurance coverage will impact your benefits and premium payments. You can also contact us or your Allianz agent for assistance in completing the change request form. We value the trust you've placed in us, and we're here to help.

Sincerely,

Policy Administration Department

NOTE: This letter is not a bill. Please retain a copy of this letter with your policy for future reference.

Enclosed: Coverage change request form

Premium Increase Contingent Benefit Upon Lapse Rider Premium Increase Contingent Benefit Upon Lapse Rider Schedule Benefit Change Endorsement Special Payment Considerations Draft Version, Submitted for Informational Purposes Only

Guarantees are backed by the financial strength of Allianz Life Insurance Company of North America.

Products are issued by Allianz Life Insurance Company of North America, 5701 Golden Hills Drive, Minneapolis, MN 55416-1297. 800.789.6896

MLTC-1019 (12/2014)

Draft Version, Submitted for Informational Purposes Only [Date]

[Owner First Name] [Owner Middle Name] [Owner Last Name] [Owner Address L1] [Owner Address L2] [Owner City], [Owner State] [Owner Zip] [Owner Zip Rest]

#### [Policy Number]

Important notice of increase in your long term care insurance premium with time-sensitive options

Dear policyholder,

At Allianz Life Insurance Company of North America, our highest priority is fulfilling our commitments to our policyholders. As a result, we need to increase the premium rates on our long term care policy.

We want you to know that we took this decision very seriously and weighed several options before filing a [XX%] premium increase with the [Issue State] insurance department, where it has been reviewed and approved. Your premiums will be guaranteed not to increase for [4 years] after the effective date of this rate increase. We will continue to assess our experience and it is possible that we will file for additional rate increases after the [4] year guarantee period.

#### Your premium increase

**Based on your current benefits, your premium will increase from [\$XXX.XX] [policy mode] to** [**\$XXX.XX] [policy mode].** The increase will be effective with your first bill or bank draft for premium due on or after your upcoming policy anniversary. Any recent changes to your policy may not be reflected in the premium noted above.

### Your options

We understand that this premium increase may significantly impact some of our policyholders. That's why we are offering the flexibility to choose among the following options. However, please be aware that some of the choices below may mean your policy would no longer meet the requirements of a Qualified Partnership policy that provides asset protection under your state's Medicaid program. Before making one of these choices, you should get more information for us as xxx-xxx-xxxx or your financial advisor.

A. Maintain your current benefit amounts by paying the increased premium.

If you wish to elect any of the other options (B through E), please complete the coverage change request form and return it to us.

- B. Lessen the impact of the rate increase on your premiums by reducing benefit amounts and/or benefit. Such benefit reduction(s) may fully or partially offset the premium increase. Please note: benefit amounts must not be less than any minimum policy requirements.
- C. Lessen the impact of the rate increase on your premiums by reducing or terminating optional riders that you purchased with your policy. This may fully or partially offset the premium increase. By terminating the [5% Compound cost of Living Adjustment Rider] that is part of your policy, you would fully offset the premium increase. If you choose to terminate this rider, the applicable benefit amount(s) will no longer increase each year. However, provided cancellation is received within [90 days] of this rate increase effective date, all previous benefit increases under the rider will be vested and will remain at the levels as they exist at the time of termination. Please see the attached Benefit Change Endorsement setting forth this vesting offer.

Draft Version, Submitted for Informational Purposes Only

- D. Elect options available through a Non-Forfeiture Rider or Return of Premium Rider that may be included with your policy and have your contract converted to paid-up coverage with a reduced Maximum Lifetime Benefit or Benefit Amount. Premiums will no longer be required after the start of the paid-up coverage. Please refer to the specific rider attached to your policy for additional details regarding the rider terms.
- E. Elect the paid-up option in the attached Premium Increase Contingent Benefit Upon Lapse Rider with a reduced Maximum Lifetime Benefit or Benefit Amount. See the attached rider for details. Please note that there is a time limit on tis election ans we must receive your request prior to [Latest Election Date] There is no charge for this rider. However, because this paid-up option starts on your upcoming anniversary date, you must continue coverage to that policy anniversary date. This can only happen if all premiums associated with this period are paid.

If you wish to elect any of the other options (B through E), please complete the coverage change request form and return it to us

One of the factors that help us keep our commitments is the premium we collect from policyholders like you. When we issued your policy, we based your premium rates on the information and projections available to us at that time. But based on our actual experience, it's clear we will need to pay substantially more claims than anticipated.

Please be assured that our decision to increase premiums is based solely on the total future increased claims we now anticipate. We are not giving anyone preferential treatment, nor do the premium increases in any way reflect an individual policyholder's advance in age or deteriorated health status.

In an effort to balance our policyholders' needs with the long-term viability of our policies, we must increase the premium rates for the inflation protection rider on long term care insurance policies, including yours. The possibility of a premium increase is disclosed on the first page of your policy.

#### We're here to help

Before you make any changes, we strongly encourage you to speak with your licensed agent, or to contact one of our customer service representatives at 800.789.6896 weekdays from 7:00 a.m. to 5:00 p.m CST. They can provide you with details about your options, and help you determine how changes to your long term care insurance coverage will impact your benefits and premium payments. You can also contact us or your Allianz agent for assistance in completing the change request form. We value the trust you've placed in us, and we're here to help.

Sincerely,

Policy Administration Department

NOTE: This letter is not a bill. Please retain a copy of this letter with your policy for future reference.

Enclosed: Coverage change request form

Premium Increase Contingent Benefit Upon Lapse Rider Premium Increase Contingent Benefit Upon Lapse Rider Schedule Benefit Change Endorsement Special Payment Considerations Draft Version, Submitted for Informational Purposes Only cc: [Agent First Name] [Agent Middle Name] [Agent Last Name]

Guarantees are backed by the financial strength of Allianz Life Insurance Company of North America.

Products are issued by Allianz Life Insurance Company of North America, 5701 Golden Hills Drive, Minneapolis, MN 55416-1297. 800.789.6896

MLTC-1019 (12/2014)

Base Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit
Daily Benefit range from \$50 - \$99

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age      | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime  | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   |
|----------|----------|----------|----------|----------|----------|-----------|----------|----------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|
| 18-40    | 40       | 43       | 47       | 50       | 55       | 64        | 41       | 45       | 49       | 51       | 57       | 67         | 46       | 51       | 53       | 57       | 62       | 74         |
| 41       | 40       | 43       | 47       | 50       | 55       | 64        | 41       | 45       | 49       | 52       | 58       | 67         | 46       | 51       | 53       | 57       | 63       | 74         |
| 42       | 40       | 43       | 48       | 51       | 56       | 65        | 41       | 45       | 50       | 52       | 58       | 68         | 46       | 51       | 54       | 58       | 63       | 75         |
| 43       | 41       | 45       | 49       | 52       | 57       | 67        | 42       | 46       | 51       | 53       | 59       | 69         | 47       | 52       | 55       | 59       | 65       | 76         |
| 44       | 42       | 46       | 50       | 53       | 58       | 68        | 43       | 47       | 52       | 54       | 60       | 71         | 48       | 53       | 56       | 60       | 66       | 78         |
| 45       | 43       | 48       | 51       | 54       | 59       | 69        | 44       | 48       | 53       | 55       | 61       | 72         | 49       | 54       | 57       | 61       | 67       | 79         |
| 46       | 44       | 49       | 52       | 55       | 60       | 71        | 45       | 49       | 54       | 56       | 62       | 74         | 50       | 55       | 59       | 62       | 68       | 80         |
| 47       | 45       | 51       | 53       | 56       | 61       | 72        | 47       | 50       | 55       | 57       | 63       | 75         | 51       | 57       | 60       | 63       | 70       | 82         |
| 48       | 46       | 51       | 54       | 57       | 62       | 74        | 47       | 51       | 56       | 58       | 63       | 77         | 52       | 57       | 61       | 64       | 70       | 84         |
| 49       | 46       | 52       | 55       | 58       | 63       | 76        | 48       | 52       | 56       | 59       | 64       | 78         | 52       | 57       | 61       | 64       | 71       | 85         |
| 50       | 47       | 52       | 55       | 58       | 63       | 78        | 48       | 53       | 57       | 60       | 65       | 80         | 53       | 58       | 62       | 65       | 72       | 87         |
| 51       | 48       | 53       | 56       | 59       | 64       | 79        | 49       | 54       | 57       | 60       | 66       | 82         | 54       | 58       | 63       | 65       | 73       | 89         |
| 52       | 49       | 54       | 57       | 60       | 65       | 81        | 50       | 54       | 58       | 61       | 67       | 83         | 55       | 58       | 64       | 66       | 74       | 91         |
| 53       | 50       | 55       | 60       | 63       | 68       | 85        | 51       | 56       | 61       | 64       | 70       | 87         | 57       | 61       | 66       | 69       | 77       | 95         |
| 54       | 52       | 57       | 62       | 66       | 72       | 89        | 53       | 58       | 63       | 67       | 74<br>77 | 91         | 58       | 63       | 69<br>72 | 72       | 81       | 99         |
| 55       | 54       | 59       | 64       | 68       | 75<br>70 | 94        | 55<br>57 | 60       | 66       | 70       |          | 95         | 60       | 65       |          | 75<br>70 | 85       | 104        |
| 56<br>57 | 56<br>50 | 61<br>63 | 67<br>69 | 71<br>74 | 79<br>82 | 98<br>102 | 57<br>50 | 62<br>63 | 68<br>71 | 73<br>76 | 80<br>84 | 100<br>104 | 62<br>64 | 67<br>70 | 74<br>77 | 79<br>82 | 88<br>92 | 108<br>112 |
|          | 58<br>62 | 63<br>67 | 75       | 74<br>80 | 89       | 110       | 58       | 68       | 71       | 76<br>82 | 91       | 113        | 69       | 70<br>75 | 84       | 89       | 92       | 122        |
| 58<br>59 | 67       | 72       | 75<br>81 | 86       | 96       | 110       | 63<br>67 | 73       | 83       | 89       | 98       | 122        | 74       | 80       | 90       | 95       | 107      | 132        |
| 60       | 71       | 72<br>76 | 87       | 92       | 102      | 128       | 72       | 73<br>78 | 88       | 95       | 105      | 132        | 74<br>79 | 85       | 97       | 102      | 114      | 143        |
| 61       | 76       | 81       | 92       | 98       | 102      | 136       | 76       | 83       | 94       | 101      | 112      | 141        | 84       | 90       | 103      | 102      | 122      | 153        |
| 62       | 80       | 86       | 98       | 105      | 116      | 145       | 81       | 87       | 100      | 108      | 119      | 150        | 89       | 95       | 109      | 116      | 129      | 163        |
| 63       | 88       | 94       | 108      | 116      | 128      | 160       | 89       | 96       | 110      | 119      | 132      | 166        | 97       | 104      | 120      | 129      | 143      | 180        |
| 64       | 95       | 103      | 117      | 127      | 140      | 175       | 96       | 105      | 119      | 131      | 145      | 181        | 105      | 114      | 130      | 141      | 157      | 197        |
| 65       | 103      | 111      | 126      | 139      | 152      | 191       | 104      | 113      | 129      | 142      | 159      | 197        | 114      | 123      | 141      | 154      | 170      | 214        |
| 66       | 111      | 120      | 136      | 150      | 165      | 206       | 112      | 122      | 138      | 154      | 172      | 212        | 122      | 133      | 151      | 167      | 184      | 231        |
| 67       | 118      | 128      | 145      | 161      | 177      | 221       | 120      | 131      | 148      | 165      | 185      | 228        | 130      | 142      | 162      | 180      | 198      | 248        |
| 68       | 135      | 145      | 164      | 184      | 202      | 249       | 137      | 149      | 168      | 189      | 211      | 257        | 148      | 162      | 183      | 205      | 227      | 281        |
| 69       | 151      | 163      | 182      | 207      | 227      | 277       | 153      | 166      | 187      | 213      | 236      | 287        | 167      | 181      | 204      | 231      | 255      | 313        |
| 70       | 167      | 180      | 201      | 230      | 252      | 305       | 170      | 184      | 207      | 236      | 262      | 316        | 185      | 201      | 225      | 257      | 284      | 345        |
| 71       | 183      | 197      | 219      | 252      | 277      | 333       | 186      | 202      | 227      | 260      | 287      | 346        | 203      | 220      | 246      | 283      | 313      | 377        |
| 72       | 199      | 214      | 238      | 275      | 302      | 360       | 203      | 220      | 247      | 284      | 313      | 375        | 221      | 239      | 267      | 309      | 342      | 409        |
| 73       | 226      | 243      | 271      | 314      | 344      | 409       | 230      | 250      | 280      | 324      | 357      | 426        | 251      | 272      | 302      | 352      | 390      | 464        |
| 74       | 253      | 272      | 303      | 352      | 387      | 457       | 258      | 279      | 314      | 363      | 401      | 476        | 281      | 304      | 337      | 395      | 438      | 519        |
| 75       | 280      | 301      | 336      | 391      | 430      | 505       | 286      | 309      | 347      | 403      | 446      | 526        | 312      | 337      | 373      | 439      | 486      | 574        |
| 76       | 307      | 330      | 369      | 429      | 472      | 553       | 313      | 339      | 381      | 443      | 490      | 577        | 342      | 369      | 408      | 482      | 533      | 628        |
| 77       | 334      | 359      | 401      | 468      | 515      | 602       | 341      | 369      | 414      | 483      | 534      | 627        | 372      | 402      | 443      | 526      | 581      | 683        |
| 78       | 376      | 403      | 446      | 511      | 564      | 660       | 384      | 413      | 460      | 527      | 585      | 688        | 419      | 450      | 495      | 574      | 642      | 749        |
| 79       | 419      | 446      | 491      | 554      | 614      | 718       | 427      | 458      | 506      | 571      | 636      | 749        | 466      | 499      | 546      | 622      | 703      | 816        |
| 80       | 461      | 490      | 535      | 597      | 663      | 777       | 471      | 502      | 552      | 615      | 687      | 810        | 513      | 548      | 598      | 670      | 764      | 882        |
| 81       | 504      | 533      | 580      | 640      | 712      | 835       | 514      | 547      | 597      | 659      | 738      | 870        | 560      | 596      | 650      | 719      | 825      | 948        |
| 82       | 547      | 577      | 624      | 682      | 762      | 894       | 558      | 591      | 643      | 703      | 789      | 931        | 607      | 645      | 701      | 767      | 886      | 1,015      |
| 83       | 601      | 636      | 690      | 757      | 845      | 991       | 614      | 652      | 711      | 780      | 876      | 1,035      | 655      | 711      | 776      | 850      | 983      | 1,127      |
| 84       | 663      | 700      | 763      | 839      | 937      | 1,099     | 677      | 719      | 787      | 865      | 971      | 1,148      | 721      | 783      | 857      | 943      | 1,091    | 1,252      |

Base Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit
Daily Benefit range from \$100 - \$500

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age      | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   | 2 year     | 3 year     | 4 year     | 5 year               | 8 year     | Lifetime     |
|----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|----------------------|------------|--------------|
| 18-40    | 32         | 36         | 40         | 42         | 47         | 57         | 33         | 37         | 41         | 44         | 49         | 60         | 37         | 41         | 45         | 49                   | 54         | 66           |
| 41       | 32         | 36         | 40         | 42         | 47         | 57         | 33         | 37         | 41         | 45         | 50         | 60         | 37         | 41         | 45         | 49                   | 55         | 66           |
| 42       | 32         | 36         | 41         | 43         | 48         | 58         | 33         | 37         | 42         | 45         | 50         | 61         | 37         | 42         | 46         | 50                   | 55         | 67           |
| 43       | 33         | 37         | 42         | 44         | 49         | 60         | 34         | 38         | 43         | 45         | 51         | 62         | 38         | 43         | 47         | 50                   | 56         | 68           |
| 44       | 34         | 38         | 42         | 45         | 50         | 61         | 35         | 39         | 44         | 46         | 51         | 63         | 39         | 44         | 48         | 51                   | 57         | 69           |
| 45       | 35         | 39         | 43         | 46         | 51         | 62         | 36         | 39         | 45         | 47         | 52         | 64         | 40         | 44         | 48         | 52                   | 58         | 71           |
| 46       | 36         | 40         | 44         | 47         | 52         | 63         | 37         | 40         | 45         | 48         | 53         | 66         | 40         | 45         | 49         | 53                   | 59         | 72           |
| 47       | 36         | 41         | 44         | 47         | 53         | 64         | 38         | 41         | 46         | 49         | 54         | 67         | 41         | 46         | 50         | 53                   | 60         | 73           |
| 48       | 37         | 42         | 45         | 48         | 54         | 66         | 38         | 42         | 47         | 49         | 55         | 68         | 42         | 47         | 51         | 54                   | 61         | 75           |
| 49       | 37         | 43         | 46         | 49         | 54         | 68         | 38         | 43         | 47         | 50         | 56         | 70         | 42         | 47         | 52         | 55                   | 62         | 77           |
| 50       | 38         | 43         | 47         | 50         | 55         | 70         | 39         | 44         | 48         | 51         | 56         | 72         | 43         | 48         | 52         | 55                   | 62         | 78           |
| 51       | 39         | 44         | 47         | 51         | 56         | 71         | 39         | 45         | 48         | 51         | 57         | 73         | 43         | 48         | 53         | 56                   | 63         | 80           |
| 52       | 39         | 45         | 48         | 51         | 56         | 73         | 40         | 45         | 49         | 52         | 58         | 75         | 44         | 49         | 54         | 57                   | 64         | 82           |
| 53       | 41         | 46         | 50         | 54         | 59         | 77         | 41         | 47         | 51         | 54         | 61         | 78         | 45         | 50         | 56         | 59                   | 67         | 85           |
| 54       | 42         | 47         | 52         | 56         | 62         | 80         | 43         | 48         | 53         | 57         | 63         | 82         | 47         | 52         | 58         | 61                   | 70         | 89           |
| 55       | 43         | 49<br>50   | 54<br>56   | 58         | 64         | 84<br>87   | 44<br>45   | 50         | 55<br>57   | 59         | 66<br>68   | 85         | 48         | 54<br>56   | 60         | 64                   | 72<br>75   | 93           |
| 56<br>57 | 45<br>46   | 50<br>52   | 56<br>57   | 60<br>62   | 67<br>69   | 91         | 45<br>47   | 51<br>52   | 57<br>59   | 61<br>64   | 71         | 89<br>93   | 50<br>51   | 56<br>58   | 62<br>64   | 66<br>69             | 75<br>78   | 96<br>100    |
| 58       | 50         | 55         | 62         | 67         | 75         | 98         | 50         | 56         | 64         | 69         | 77         | 100        | 55         | 62         | 69         | 74                   | 84         | 108          |
| 59       | 53         | 59         | 66         | 72         | 80         | 105        | 54         | 60         | 68         | 74         | 82         | 100        | 59         | 66         | 74         | 7 <del>4</del><br>79 | 90         | 117          |
| 60       | 57         | 63         | 71         | 77         | 86         | 112        | 57         | 64         | 72         | 79         | 88         | 115        | 63         | 70         | 79         | 85                   | 96         | 125          |
| 61       | 60         | 66         | 75         | 82         | 91         | 119        | 61         | 68         | 77         | 84         | 93         | 123        | 67         | 74         | 84         | 90                   | 102        | 133          |
| 62       | 64         | 70         | 80         | 86         | 97         | 126        | 64         | 72         | 81         | 89         | 99         | 131        | 71         | 78         | 89         | 96                   | 108        | 142          |
| 63       | 70         | 77         | 88         | 95         | 106        | 139        | 70         | 78         | 90         | 98         | 110        | 144        | 77         | 85         | 98         | 106                  | 119        | 156          |
| 64       | 76         | 83         | 96         | 104        | 116        | 152        | 76         | 85         | 98         | 107        | 121        | 158        | 84         | 93         | 107        | 116                  | 130        | 171          |
| 65       | 82         | 90         | 105        | 113        | 126        | 166        | 83         | 92         | 106        | 116        | 131        | 171        | 90         | 100        | 116        | 126                  | 141        | 186          |
| 66       | 88         | 97         | 113        | 122        | 136        | 179        | 89         | 99         | 115        | 125        | 142        | 185        | 97         | 107        | 126        | 136                  | 152        | 201          |
| 67       | 94         | 103        | 121        | 131        | 146        | 192        | 95         | 106        | 123        | 134        | 153        | 198        | 103        | 115        | 135        | 146                  | 164        | 216          |
| 68       | 106        | 117        | 136        | 150        | 166        | 216        | 108        | 120        | 140        | 154        | 174        | 223        | 117        | 130        | 152        | 167                  | 187        | 243          |
| 69       | 119        | 131        | 152        | 168        | 187        | 239        | 121        | 134        | 156        | 173        | 194        | 247        | 131        | 146        | 170        | 188                  | 210        | 270          |
| 70       | 131        | 144        | 167        | 187        | 207        | 262        | 133        | 148        | 173        | 192        | 215        | 272        | 145        | 161        | 187        | 209                  | 234        | 296          |
| 71       | 143        | 158        | 183        | 205        | 227        | 285        | 146        | 162        | 189        | 211        | 236        | 296        | 159        | 176        | 205        | 230                  | 257        | 323          |
| 72       | 155        | 172        | 198        | 224        | 247        | 308        | 159        | 176        | 206        | 231        | 257        | 321        | 173        | 192        | 222        | 251                  | 280        | 350          |
| 73       | 176        | 194        | 226        | 255        | 282        | 349        | 179        | 199        | 234        | 263        | 293        | 364        | 195        | 217        | 252        | 286                  | 319        | 397          |
| 74       | 196        | 217        | 253        | 286        | 317        | 390        | 200        | 222        | 262        | 296        | 329        | 407        | 218        | 242        | 281        | 321                  | 359        | 443          |
| 75       | 216        | 240        | 280        | 318        | 352        | 432        | 221        | 246        | 290        | 328        | 365        | 450        | 241        | 268        | 311        | 357                  | 398        | 490          |
| 76       | 236        | 262        | 307        | 349        | 387        | 473        | 241        | 269        | 317        | 361        | 402        | 493        | 264        | 293        | 340        | 392                  | 437        | 537          |
| 77       | 257        | 285        | 334        | 380        | 422        | 514        | 262        | 293        | 345        | 393        | 438        | 536        | 286        | 319        | 369        | 427                  | 477        | 584          |
| 78       | 288        | 319        | 372        | 416        | 462        | 564        | 293        | 327        | 383        | 430        | 480        | 588        | 320        | 357        | 412        | 468                  | 526        | 640          |
| 79       | 318        | 353        | 409        | 452        | 503        | 614        | 325        | 362        | 422        | 466        | 521        | 640        | 354        | 395        | 455        | 508                  | 576        | 697          |
| 80       | 349        | 387        | 446        | 488        | 543        | 664        | 356        | 396        | 460        | 503        | 563        | 692        | 388        | 432        | 498        | 548                  | 626        | 754          |
| 81       | 380        | 420        | 483        | 524        | 584<br>625 | 714        | 388        | 431        | 498        | 540<br>576 | 605        | 744        | 422        | 470        | 541        | 588                  | 676        | 810          |
| 82       | 411        | 454<br>501 | 520<br>575 | 559        |            | 764<br>947 | 419        | 466        | 536        |            | 647        | 796        | 456        | 508        | 584        | 629<br>607           | 726        | 867          |
| 83<br>84 | 452<br>499 | 501<br>551 | 575<br>636 | 621<br>688 | 693<br>768 | 847<br>939 | 462<br>509 | 513<br>566 | 593<br>656 | 640<br>709 | 718<br>796 | 884<br>981 | 493<br>542 | 560<br>616 | 646<br>714 | 697<br>773           | 805<br>894 | 963<br>1,070 |
| 04       | 433        | 331        | 030        | 000        | 700        | 508        | 509        | 500        | 000        | 709        | 130        | 901        | 342        | 010        | / 14       | 113                  | 034        | 1,070        |

#### **Rider Premium Rates and Premium Factors**

Factors applied to base premium rates

| Part  |      |      |      |      |      | 5%   |        |      |      |       | Full  |      |                    |                         |         |
|---|------|------|------|------|------|------|--------|------|------|-------|-------|------|--------------------|-------------------------|---------|
| The color     |      |      |      |      |      |      |        |      |      |       |       |      | 5 6                | <b>.</b>                |         |
| 18-40   | امما |      |      |      |      |      | 10 pay |      | CDD  |       |       |      |                    |                         |         |
| 41   2.66   2.26   1.85   1.79   1.00   3.72   1.75   1.20   1.30   1.49   1.12   3 year   1.05   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 42   2.66   2.26   1.85   1.79   1.60   3.72   1.75   1.20   1.30   1.49   1.12   4 year   1.04   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 43  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 46  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 46  | 44   | 2.64 | 2.24 | 1.85 | 1.79 | 1.60 | 3.53   | 1.80 | 1.20 | 1.34  | 1.53  | 1.12 | 8 year             | 1.04                    |         |
| 47   261   2.22   1.85   1.80   1.60   3.25   1.88   1.21   1.39   1.60   1.12   Spousal Showard Care Harmond Care Harmon | 45   | 2.63 | 2.24 | 1.85 | 1.80 | 1.60 | 3.44   | 1.83 | 1.21 | 1.35  | 1.56  | 1.12 |                    | N / A                   |         |
| 48  | 46   | 2.62 | 2.23 | 1.85 | 1.80 | 1.60 | 3.34   | 1.85 | 1.21 | 1.37  | 1.58  | 1.12 |                    |                         |         |
| Second      |      |      |      | 1.85 | 1.80 | 1.60 | 3.25   | 1.88 |      | 1.39  |       | 1.12 |                    |                         |         |
| 50  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 5   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| Second Color  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 55  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 54  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 55   2.33   2.05   1.76   1.74   1.80   2.66   1.23   1.59   1.84   1.12   8 year   1.02   1.02   1.05     |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| Fig.     |      |      |      |      |      |      |        | 2.52 |      |       |       |      |                    |                         |         |
| 57  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 58   2.18   1.94   1.88   1.71   1.60   2.45   1.24   1.69   1.97   1.11   Restoration of Benefits and Shared Care are not all the wind in the area of the standard of the    |      |      |      |      |      |      |        |      |      |       |       |      | Lifetime           | N/A                     | N/A     |
| 59  |      |      |      |      |      |      |        |      |      |       |       |      | Postoration of Po  | nofite and Charad Care  | oro     |
| 60  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 61  |      |      |      |      |      |      |        |      |      |       |       |      | not available with | Lifetime benefit period | горион. |
| Fig.   Section         |      |      |      |      |      |        |      |      |       |       |      | HCC Monthly Re     | nefit                   | 1.06    |
| 65   2.03   1.81   1.58   1.66   1.57   2.08   1.25   1.90   2.23   1.11     HCC Calendar Day EP   1.02   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 64  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 65  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 66  |      |      |      |      |      |      |        |      |      |       |       |      |                    | •                       | 2       |
| 67  |      |      |      |      |      |      |        |      |      |       |       | 1.10 | Monthly Indemni    | tv Benefit              |         |
| 69  |      |      |      |      | 1.59 |      |        |      |      |       |       | 1.10 |                    | *                       | 1.04    |
| 70  | 68   | 1.82 | 1.65 | 1.48 | 1.57 | 1.53 | 1.76   |      | 1.26 | 2.36  | 2.81  | 1.10 | 25%                |                         | 1.10    |
| 71  |      | 1.78 | 1.62 | 1.46 | 1.55 | 1.52 | 1.71   |      | 1.27 | 2.50  | 3.00  | 1.10 | 50%                |                         |         |
| 72  | 70   | 1.74 | 1.59 | 1.44 | 1.54 | 1.51 | 1.65   |      | 1.27 | 2.65  | 3.19  | 1.09 | 100% (age < 60)    |                         | 2.57    |
| 73         1.63         1.51         1.39         1.48         1.48         1.48         1.28         3.54         4.54         1.06         Elimination Period Factors           74         1.60         1.49         1.37         1.47         1.42         1.28         4.23         5.71         1.05         7 Day         1.30           75         1.57         1.46         1.36         1.45         1.44         1.44         1.31         1.28         5.06         721         1.04         30 Day         1.18           76         1.54         1.44         1.34         1.44         1.43         1.25         1.29         6.07         11.66         1.02         90 Day         1.08           77         1.51         1.42         1.33         1.42         1.43         1.25         1.29         6.07         11.66         1.02         90 Day         1.00           78         1.49         1.40         1.32         1.42         1.43         1.25         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.16         1.29         10.48  |      |      |      |      |      |      |        |      |      |       |       |      | 100% (age 60+)     |                         | 2.23    |
| 74         1.60         1.49         1.37         1.47         1.42         1.28         4.23         5.71         1.05         7 Day         1.30           75         1.57         1.46         1.36         1.45         1.45         1.37         1.28         5.06         7.21         1.04         30 Day         1.18           76         1.54         1.44         1.34         1.44         1.41         1.42         1.31         1.28         5.82         9.15         1.03         60 Day         1.18           77         1.51         1.42         1.33         1.42         1.43         1.25         1.29         6.07         11.66         1.02         90 Day         1.00           78         1.49         1.40         1.32         1.41         1.42         1.22         1.29         7.28         13.99         1.02         180 Day         0.90           79         1.46         1.38         1.30         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.16         1.29         10.48   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 75         1.57         1.46         1.36         1.45         1.45         1.37         1.28         5.06         7.21         1.04         30 Day         1.18           76         1.54         1.44         1.34         1.44         1.31         1.28         5.82         9.15         1.03         60 Day         1.08           77         1.51         1.42         1.33         1.42         1.43         1.22         1.29         6.07         11.66         1.02         90 Day         1.00           78         1.49         1.40         1.32         1.41         1.42         1.22         1.29         7.28         13.99         1.02         180 Day         0.90           79         1.46         1.38         1.30         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           81         1.41         1.35         1.27         1.37         1.39         1.13         1.30         10.48  |      |      |      |      |      |      |        |      |      |       |       |      |                    | od Factors              |         |
| 76         1.54         1.44         1.34         1.44         1.31         1.28         5.82         9.15         1.03         60 Day         1.08           77         1.51         1.42         1.33         1.42         1.43         1.25         1.29         6.07         11.66         1.02         90 Day         1.00           78         1.49         1.40         1.32         1.41         1.42         1.22         1.29         7.28         13.99         1.02         180 Day         0.90           79         1.46         1.38         1.30         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.16         1.29         10.48         20.15         1.02          1.02         865 Day         0.80           81         1.41         1.35         1.27         1.37         1.39         1.13         1.02         1.048         20.15         1.02          1.02          1.02         Risk Class Factors          1.02         1.02         1.02         1.02  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 77  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 78         1.49         1.40         1.32         1.41         1.42         1.22         1.29         7.28         13.99         1.02         180 Day         0.90           79         1.46         1.38         1.30         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.41         1.19         1.29         1.02         80  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 79         1.46         1.38         1.30         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.16         1.29         10.48         20.15         1.02         Risk Class Factors           81         1.41         1.35         1.27         1.37         1.39         1.13         1.26         1.36         1.38         1.10         1.30         10.48         20.15         1.02         Preferred Plus         0.85           82         1.39         1.33         1.26         1.35         1.36         1.09         1.30         10.48         20.15         1.02         Preferred Plus         0.85           83         1.37         1.31         1.25         1.35         1.36         1.09         1.30         10.48         20.15         1.02         Preferred Plus         0.85           84         1.35         1.30         1.24         1.04         1.09         1.30         10.48         20.15         1.02         Standard         1.20           85         1.34         1.29         1.23         1   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 80         1.44         1.37         1.29         1.38         1.40         1.16         1.29         10.48         20.15         1.02         Risk Class Factors           81         1.41         1.35         1.27         1.37         1.39         1.13         1.30         10.48         20.15         1.02         Risk Class Factors           82         1.39         1.33         1.26         1.36         1.38         1.10         1.30         10.48         20.15         1.02         Preferred Plus         0.85           83         1.37         1.31         1.25         1.35         1.36         1.09         1.30         10.48         20.15         1.02         Preferred Plus         0.85           84         1.35         1.30         1.24         1.34         1.34         1.08         1.30         10.48         20.15         1.02         Preferred Plus         0.85           85         1.34         1.29         1.23         1.33         1.30         10.48         20.15         1.02         Standard         1.20           88         1.29         1.25         1.20         1.28         1.29         1.30         10.48         20.15         1.02 <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 81         1.41         1.35         1.27         1.37         1.39         1.13         1.30         10.48         20.15         1.02         Risk Class Factors           82         1.39         1.33         1.26         1.36         1.38         1.10         1.30         10.48         20.15         1.02         Preferred Plus         0.85           83         1.37         1.31         1.26         1.36         1.39         1.30         10.48         20.15         1.02         Preferred Plus         0.85           84         1.35         1.30         1.24         1.34         1.34         1.08         1.30         10.48         20.15         1.02         Preferred Plus         0.85           85         1.34         1.29         1.23         1.32         1.33         1.30         10.48         20.15         1.02         Standard         1.20           85         1.34         1.29         1.23         1.32         1.33         1.30         10.48         20.15         1.02         Select IV         3.00           89         1.28         1.23         1.28         1.30         10.48         20.15         1.02         Discount Factors <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>303 Day</td><td></td><td>0.60</td></td<>   |      |      |      |      |      |      |        |      |      |       |       |      | 303 Day            |                         | 0.60    |
| 82     1.39     1.33     1.26     1.36     1.38     1.10     1.30     10.48     20.15     1.02     Preferred Plus     0.85       83     1.37     1.31     1.25     1.35     1.36     1.09     1.30     10.48     20.15     1.02     Preferred Plus     0.85       84     1.35     1.30     1.24     1.34     1.34     1.09     1.30     10.48     20.15     1.02     Standard     1.20       85     1.34     1.29     1.23     1.32     1.33     1.30     10.48     20.15     1.02     Select I     1.50       88     1.29     1.25     1.20     1.28     1.29     1.30     10.48     20.15     1.02     Select IV     3.00       89     1.28     1.23     1.8     1.26     1.28     1.30     10.48     20.15     1.02     Select IV     3.00       90     1.26     1.22     1.17     1.24     1.26     1.30     10.48     20.15     1.02     Discount Factors       91     1.25     1.20     1.6     1.23     1.25     1.30     10.48     20.15     1.02     Married     0.90       92+     1.23     1.19     1.15     1.21     1.23<  |      |      |      |      |      |      |        |      |      |       |       |      | Rick Clace Facto   | ire                     |         |
| 83     1.37     1.31     1.25     1.35     1.36     1.09     1.30     10.48     20.15     1.02     Preferred     1.00       84     1.35     1.30     1.24     1.34     1.34     1.08     1.30     10.48     20.15     1.02     Standard     1.20       85     1.34     1.29     1.23     1.32     1.33     1.30     10.48     20.15     1.02     Select I     1.50       88     1.29     1.25     1.20     1.28     1.29     1.30     10.48     20.15     1.02     Select IV     3.00       89     1.28     1.23     1.18     1.26     1.28     1.30     10.48     20.15     1.02     Discount Factors       90     1.26     1.22     1.17     1.24     1.26     1.30     10.48     20.15     1.02     Discount Factors       91     1.25     1.20     1.16     1.23     1.25     1.30     10.48     20.15     1.02     Married     0.90       92+     1.23     1.19     1.15     1.21     1.23     1.30     10.48     20.15     1.02     Spousal     0.70  |      |      |      |      |      |      |        |      |      |       |       |      |                    | 113                     | 0.85    |
| 84     1.35     1.30     1.24     1.34     1.34     1.08     1.30     10.48     20.15     1.02     Standard     1.20       85     1.34     1.29     1.23     1.32     1.33     1.30     10.48     20.15     1.02     Select IV     1.50       88     1.29     1.20   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 85     1.34     1.29     1.23     1.32     1.33     1.30     10.48     20.15     1.02     Select I     1.50       88     1.29     1.25     1.20     1.28     1.29     1.30     10.48     20.15     1.02     Select IV     3.00       89     1.28     1.23     1.18     1.26     1.28     1.30     10.48     20.15     1.02     Select IV     3.00       90     1.26     1.22     1.17     1.24     1.26     1.30     10.48     20.15     1.02     Discount Factors       91     1.25     1.20     1.16     1.23     1.25     1.30     10.48     20.15     1.02     Married     0.90       92+     1.23     1.19     1.15     1.21     1.23     1.30     10.48     20.15     1.02     Spousal     0.70   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 88     1.29     1.25     1.20     1.28     1.29     1.30     10.48     20.15     1.02     Select IV     3.00       89     1.28     1.23     1.18     1.26     1.28     1.30     10.48     20.15     1.02       90     1.26     1.22     1.17     1.24     1.26     1.30     10.48     20.15     1.02     Discount Factors       91     1.25     1.20     1.16     1.23     1.25     1.30     10.48     20.15     1.02     Married     0.90       92+     1.23     1.19     1.15     1.21     1.23     1.30     10.48     20.15     1.02     Spousal     0.70  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 89     1.28     1.23     1.18     1.26     1.28     1.30     10.48     20.15     1.02  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 90 1.26 1.22 1.17 1.24 1.26 1.30 10.48 20.15 1.02 <u>Discount Factors</u><br>91 1.25 1.20 1.16 1.23 1.25 1.30 10.48 20.15 1.02 <u>Married</u> 0.90<br>92+ 1.23 1.19 1.15 1.21 1.23 1.30 10.48 20.15 1.02 <u>Spousal</u> 0.70  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 91 1.25 1.20 1.16 1.23 1.25 1.30 10.48 20.15 1.02 Married 0.90 92+ 1.23 1.19 1.15 1.21 1.23 1.30 10.48 20.15 1.02 Spousal 0.70  |      | 1.26 |      | 1.17 | 1.24 |      |        |      |      | 10.48 |       | 1.02 | Discount Factors   | 3                       |         |
|   |      |      |      |      |      |      |        |      |      |       |       |      | Married            |                         |         |
| Facility Care Only Endorsement 0.90   | 92+  | 1.23 | 1.19 | 1.15 | 1.21 | 1.23 |        |      | 1.30 | 10.48 | 20.15 | 1.02 |                    |                         |         |
|   |      |      |      |      |      |      |        |      |      |       |       |      | Facility Care Only | Endorsement             | 0.90    |

Coverage Enhancement Rider
Daily Benefit Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age      | 2 year   | 3 year     | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   |
|----------|----------|------------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|
| 18-40    | 44       | 49         | 54       | 57       | 64       | 78         | 45       | 50       | 56       | 61       | 67       | 82         | 50       | 56       | 61       | 67       | 73       | 90         |
| 41       | 44       | 49         | 54       | 57       | 64       | 78         | 45       | 50       | 56       | 61       | 68       | 82         | 50       | 56       | 61       | 67       | 75       | 90         |
| 42       | 44       | 49         | 56       | 59       | 66       | 79         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 57       | 62       | 67       | 74       | 91         |
| 43       | 44       | 50         | 56       | 59       | 66       | 80         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 57       | 63       | 67       | 75       | 91         |
| 44       | 45       | 50         | 56       | 59       | 66       | 80         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 58       | 63       | 67       | 75       | 91         |
| 45       | 45       | 51         | 56       | 59       | 66       | 80         | 47       | 51       | 57       | 61       | 68       | 84         | 51       | 58       | 63       | 67       | 75       | 92         |
| 46       | 45       | 51         | 56       | 60       | 66       | 81         | 47       | 51       | 57       | 61       | 68       | 84         | 52       | 58       | 63       | 67       | 75       | 92         |
| 47       | 46       | 52         | 56       | 60       | 67       | 81         | 47       | 52       | 57       | 61       | 68       | 84         | 52       | 58       | 63       | 67       | 76       | 92         |
| 48       | 47       | 53         | 57       | 61       | 67       | 83         | 48       | 53       | 58       | 62       | 69       | 86         | 53       | 59       | 64       | 68       | 77       | 94         |
| 49       | 48       | 54         | 58       | 62       | 68       | 86         | 49       | 54       | 59       | 63       | 70       | 88         | 53       | 59       | 65       | 69       | 78       | 96         |
| 50       | 49       | 55         | 59       | 63       | 69       | 88         | 50       | 55       | 60       | 64       | 71       | 90         | 54       | 60       | 66       | 70       | 79       | 99         |
| 51       | 50       | 55         | 61       | 64       | 70       | 90         | 51       | 56       | 61       | 65       | 72       | 92         | 55       | 61       | 67       | 70       | 80       | 101        |
| 52       | 50       | 56         | 62       | 65       | 71       | 92         | 51       | 57       | 61       | 66       | 73       | 94         | 56       | 61       | 68       | 71       | 81       | 103        |
| 53       | 51       | 57         | 63       | 66       | 73       | 95         | 52       | 58       | 63       | 67       | 75       | 97         | 56       | 62       | 69       | 73       | 83       | 106        |
| 54       | 52       | 58         | 64       | 68       | 75<br>77 | 97         | 53       | 59       | 64       | 69       | 77<br>70 | 100        | 57       | 63       | 70       | 75<br>76 | 85       | 108        |
| 55       | 52       | 59<br>50   | 65<br>66 | 69       | 77<br>70 | 100        | 53       | 59       | 66       | 71<br>72 | 79       | 102        | 58<br>50 | 65<br>66 | 72<br>73 | 76       | 86       | 111        |
| 56       | 53       | 59         | 66       | 71       | 79       | 103        | 54       | 60       | 67       |          | 81       | 105        | 59       | 66       | 73<br>75 | 78       | 88       | 113        |
| 57<br>58 | 54<br>57 | 60<br>63   | 67<br>70 | 72<br>76 | 81<br>85 | 105<br>111 | 55<br>57 | 61<br>64 | 69<br>72 | 74<br>78 | 82<br>87 | 107<br>114 | 59<br>62 | 67<br>70 | 75<br>78 | 80<br>84 | 90<br>95 | 116<br>123 |
| 59       | 59       | 66         | 70<br>74 | 80       | 89       | 117        | 60       | 67       | 72<br>76 | 82       | 91       | 120        | 66       | 73       | 82       | 88       | 100      | 130        |
| 60       | 62       | 69         | 74<br>78 | 84       | 94       | 122        | 63       | 70       | 76<br>79 | 86       | 96       | 126        | 69       | 76       | 86       | 93       | 105      | 136        |
| 61       | 65       | 71         | 81       | 88       | 98       | 128        | 66       | 73       | 83       | 90       | 100      | 132        | 72       | 70<br>79 | 90       | 97       | 109      | 143        |
| 62       | 68       | 74         | 85       | 92       | 102      | 133        | 68       | 76       | 86       | 94       | 105      | 139        | 75       | 82       | 93       | 101      | 114      | 150        |
| 63       | 74       | 81         | 93       | 101      | 113      | 147        | 75       | 83       | 95       | 104      | 116      | 152        | 82       | 90       | 103      | 112      | 126      | 165        |
| 64       | 80       | 88         | 102      | 110      | 123      | 161        | 81       | 90       | 103      | 113      | 126      | 166        | 88       | 98       | 113      | 122      | 137      | 181        |
| 65       | 86       | 95         | 110      | 119      | 133      | 175        | 87       | 97       | 112      | 122      | 137      | 180        | 95       | 105      | 122      | 133      | 149      | 196        |
| 66       | 93       | 102        | 119      | 129      | 143      | 188        | 94       | 104      | 121      | 132      | 147      | 194        | 102      | 113      | 132      | 143      | 160      | 211        |
| 67       | 99       | 109        | 127      | 138      | 153      | 202        | 100      | 111      | 129      | 141      | 158      | 208        | 109      | 121      | 141      | 153      | 172      | 227        |
| 68       | 112      | 123        | 143      | 157      | 175      | 226        | 113      | 126      | 146      | 161      | 180      | 234        | 123      | 137      | 160      | 175      | 196      | 255        |
| 69       | 125      | 137        | 160      | 177      | 196      | 251        | 127      | 140      | 163      | 182      | 202      | 259        | 138      | 153      | 178      | 197      | 221      | 283        |
| 70       | 138      | 152        | 176      | 196      | 217      | 275        | 140      | 155      | 180      | 202      | 225      | 285        | 152      | 169      | 197      | 219      | 245      | 311        |
| 71       | 151      | 166        | 192      | 215      | 239      | 299        | 153      | 170      | 197      | 222      | 247      | 311        | 167      | 185      | 215      | 241      | 270      | 339        |
| 72       | 164      | 180        | 208      | 235      | 260      | 323        | 167      | 185      | 214      | 242      | 269      | 337        | 181      | 201      | 233      | 263      | 294      | 367        |
| 73       | 185      | 204        | 236      | 268      | 296      | 367        | 189      | 209      | 242      | 276      | 307      | 382        | 205      | 228      | 264      | 300      | 335      | 417        |
| 74       | 206      | 228        | 263      | 301      | 333      | 410        | 211      | 234      | 271      | 310      | 345      | 427        | 229      | 255      | 295      | 338      | 377      | 466        |
| 75       | 228      | 252        | 290      | 334      | 370      | 453        | 233      | 258      | 299      | 344      | 384      | 472        | 253      | 281      | 326      | 375      | 418      | 515        |
| 76       | 249      | 276        | 317      | 367      | 406      | 497        | 254      | 283      | 328      | 379      | 422      | 517        | 277      | 308      | 357      | 412      | 459      | 564        |
| 77       | 271      | 299        | 345      | 399      | 443      | 540        | 276      | 307      | 356      | 413      | 460      | 563        | 301      | 335      | 388      | 449      | 500      | 613        |
| 78       | 303      | 335        | 385      | 437      | 489      | 592        | 309      | 344      | 397      | 451      | 508      | 617        | 336      | 375      | 433      | 491      | 553      | 673        |
| 79       | 335      | 370        | 425      | 475      | 536      | 645        | 342      | 380      | 439      | 490      | 555      | 672        | 372      | 414      | 478      | 533      | 605      | 732        |
| 80       | 367      | 406        | 466      | 512      | 582      | 697        | 375      | 416      | 480      | 528      | 603      | 727        | 408      | 454      | 523      | 575      | 657      | 792        |
| 81       | 399      | 442        | 506      | 550      | 629      | 750        | 407      | 453      | 521      | 567      | 651      | 781        | 443      | 494      | 568      | 618      | 710      | 851        |
| 82       | 431      | 477        | 546      | 587      | 675      | 802        | 440      | 489      | 563      | 605      | 699      | 836        | 479      | 533      | 614      | 660      | 762      | 911        |
| 83       | 475      | 526        | 604      | 652      | 749      | 890        | 485      | 539      | 622      | 672      | 776      | 928        | 517      | 588      | 679      | 732      | 846      | 1,012      |
| 86       | 579      | 650        | 759      | 834      | 964      | 1209       | 592      | 667      | 783      | 862      | 1002     | 1267       | 643      | 737      | 864      | 950      | 1109     | 1400       |
| 87       | 607      | 685        | 804      | 889      | 1031     | 1321       | 621      | 704      | 830      | 921      | 1073     | 1385       | 680      | 782      | 921      | 1020     | 1194     | 1538       |
| 88       | 635      | 721        | 850      | 945      | 1098     | 1433       | 650      | 740      | 877      | 979      | 1144     | 1503       | 716      | 827      | 978      | 1089     | 1279     | 1676       |
| 89       | 662      | 756<br>701 | 895      | 1001     | 1165     | 1544       | 679      | 777      | 924      | 1038     | 1214     | 1621       | 753      | 871      | 1035     | 1159     | 1364     | 1815       |
| 90       | 690      | 791        | 941      | 1057     | 1232     | 1656       | 708      | 813      | 971      | 1097     | 1285     | 1739       | 790      | 916      | 1092     | 1228     | 1449     | 1953       |
| 91       | 718      | 827        | 986      | 1112     | 1299     | 1768       | 737      | 850      | 1018     | 1156     | 1356     | 1858       | 827      | 961      | 1149     | 1298     | 1534     | 2091       |
| 92+      | 745      | 862        | 1032     | 1168     | 1366     | 1879       | 766      | 886      | 1065     | 1214     | 1427     | 1976       | 863      | 1006     | 1206     | 1367     | 1619     | 2230       |

Coverage Enhancement Rider Benefit Period Premium Rates Preferred Rate Class, 90 Day Elimination Period Rates are per \$10 Facility Care Daily Benefit

|                     |                  | Facility Care Be<br>ne and Commu |                  | efit             |                  | acility Care B<br>ne and Comn |                  | Benefit          |                  | acility Care E<br>ne and Comr |                  | Benefit          |
|---------------------|------------------|----------------------------------|------------------|------------------|------------------|-------------------------------|------------------|------------------|------------------|-------------------------------|------------------|------------------|
| From:<br>To:<br>Age | 2 year<br>3 year | 3 year<br>4 year                 | 4 year<br>5 year | 5 year<br>8 year | 2 year<br>3 year | 3 year<br>4 year              | 4 year<br>5 year | 5 year<br>8 year | 2 year<br>3 year | 3 year<br>4 year              | 4 year<br>5 year | 5 year<br>8 year |
| 18-40               | 17               | 18                               | 18               | 22               | 17               | 19                            | 20               | 22               | 19               | 20                            | 22               | 25               |
| 41                  | 17               | 18                               | 18               | 22               | 17               | 19                            | 20               | 23               | 19               | 20                            | 22               | 25               |
| 42                  | 17               | 18                               | 18               | 22               | 17               | 19                            | 19               | 23               | 19               | 20                            | 22               | 25               |
| 43                  | 16               | 18                               | 18               | 22               | 17               | 19                            | 18               | 22               | 19               | 20                            | 21               | 24               |
| 44                  | 16               | 18                               | 17               | 21               | 16               | 18                            | 18               | 21               | 19               | 19                            | 20               | 24               |
| 45                  | 16               | 17                               | 16               | 20               | 15               | 18                            | 17               | 21               | 18               | 18                            | 19               | 23               |
| 46                  | 16               | 16                               | 16               | 20               | 15               | 17                            | 17               | 20               | 17               | 18                            | 18               | 23               |
| 47                  | 16               | 15                               | 15               | 19               | 15               | 16                            | 16               | 19               | 17               | 17                            | 17               | 23               |
| 48                  | 16               | 15                               | 15               | 19               | 15               | 16                            | 16               | 20               | 17               | 18                            | 17               | 23               |
| 49                  | 16               | 16                               | 16               | 19               | 15               | 16                            | 16               | 20               | 17               | 18                            | 17               | 23               |
| 50                  | 16               | 16                               | 16               | 19               | 15               | 16                            | 17               | 20               | 17               | 18                            | 17               | 23               |
| 51                  | 16               | 17                               | 16               | 19               | 15               | 16                            | 17               | 21               | 17               | 19                            | 17               | 23               |
| 52                  | 16               | 17                               | 16               | 19               | 15               | 16                            | 17               | 21               | 17               | 19                            | 17               | 23               |
| 53                  | 16               | 17                               | 16               | 19               | 15               | 16                            | 16               | 21               | 17               | 19                            | 17               | 23               |
| 54                  | 15               | 16                               | 15               | 19               | 15               | 16                            | 16               | 20               | 17               | 18                            | 17               | 23               |
| 55                  | 15               | 16                               | 15               | 19               | 15               | 16                            | 16               | 20               | 16               | 18                            | 16               | 23               |
| 56                  | 14               | 15                               | 15               | 19               | 14               | 16                            | 15               | 19               | 16               | 17                            | 16               | 22               |
| 57                  | 14               | 15                               | 14               | 19               | 14               | 16                            | 15               | 19               | 16               | 17                            | 15               | 21               |
| 58                  | 13               | 15                               | 14               | 18               | 13               | 16                            | 14               | 18               | 15               | 17                            | 15               | 21               |
| 59                  | 12               | 15                               | 13               | 17               | 13               | 16                            | 14               | 18               | 14               | 17                            | 15               | 20               |
| 60                  | 12               | 15                               | 13               | 17               | 12               | 15                            | 14               | 17               | 13               | 16                            | 14               | 20               |
| 61                  | 11               | 15                               | 12               | 16               | 12               | 15                            | 13               | 17               | 13               | 16                            | 14               | 19               |
| 62                  | 11               | 15                               | 13               | 16<br>17         | 12<br>12         | 15                            | 13               | 17<br>17         | 12               | 16                            | 14               | 19               |
| 63<br>64            | 11<br>12         | 16<br>18                         | 13<br>14         | 18               | 13               | 16<br>18                      | 14<br>15         | 17               | 13<br>14         | 18<br>20                      | 14<br>15         | 20<br>21         |
| 65                  | 13               | 20                               | 15               | 20               | 14               | 20                            | 16               | 20               | 15               | 20                            | 16               | 23               |
| 66                  | 14               | 22                               | 16               | 21               | 15               | 20                            | 17               | 22               | 16               | 24                            | 18               | 23               |
| 67                  | 15               | 24                               | 17               | 22               | 16               | 24                            | 18               | 23               | 17               | 27                            | 19               | 26               |
| 68                  | 17               | 26                               | 21               | 25               | 18               | 27                            | 22               | 26               | 19               | 30                            | 23               | 29               |
| 69                  | 18               | 29                               | 25               | 28               | 20               | 30                            | 26               | 30               | 22               | 33                            | 28               | 33               |
| 70                  | 20               | 32                               | 29               | 31               | 22               | 32                            | 30               | 33               | 24               | 36                            | 32               | 36               |
| 71                  | 22               | 34                               | 33               | 33               | 24               | 35                            | 34               | 36               | 26               | 39                            | 37               | 40               |
| 72                  | 24               | 37                               | 37               | 36               | 26               | 38                            | 38               | 39               | 29               | 42                            | 41               | 43               |
| 73                  | 28               | 41                               | 43               | 41               | 29               | 43                            | 45               | 44               | 33               | 47                            | 49               | 49               |
| 74                  | 31               | 46                               | 50               | 47               | 33               | 48                            | 52               | 50               | 37               | 53                            | 56               | 55               |
| 75                  | 35               | 50                               | 57               | 52               | 37               | 53                            | 59               | 56               | 41               | 58                            | 64               | 61               |
| 76                  | 38               | 55                               | 64               | 57               | 40               | 58                            | 66               | 61               | 45               | 64                            | 72               | 67               |
| 77                  | 42               | 60                               | 71               | 62               | 44               | 63                            | 74               | 67               | 49               | 69                            | 79               | 73               |
| 78                  | 47               | 66                               | 70               | 73               | 49               | 70                            | 73               | 78               | 54               | 76                            | 79               | 85               |
| 79                  | 51               | 73                               | 69               | 84               | 54               | 77                            | 72               | 89               | 60               | 84                            | 78               | 97               |
| 80                  | 56               | 79                               | 69               | 95               | 59               | 84                            | 71               | 100              | 66               | 91                            | 77               | 109              |
| 81                  | 61               | 86                               | 68               | 105              | 65               | 90                            | 70               | 112              | 71               | 98                            | 76               | 121              |
| 84                  | 80               | 116                              | 86               | 143              | 85               | 123                           | 89               | 152              | 105              | 134                           | 97               | 166              |
| 85                  | 89               | 128                              | 98               | 157              | 94               | 135                           | 103              | 167              | 115              | 148                           | 112              | 185              |
| 86<br>87            | 98<br>107        | 140<br>152                       | 111<br>123       | 170              | 103<br>112       | 147<br>159                    | 117<br>130       | 182<br>196       | 125<br>134       | 162<br>177                    | 127<br>142       | 204<br>223       |
| 88                  | 107<br>116       | 164                              | 136              | 184<br>198       | 121              | 172                           | 144              | 211              | 134              | 177                           | 158              | 223<br>242       |
| 89                  | 125              | 175                              | 148              | 212              | 130              | 184                           | 158              | 226              | 154              | 205                           | 173              | 261              |
| 90                  | 134              | 187                              | 160              | 226              | 139              | 196                           | 172              | 240              | 164              | 203                           | 188              | 280              |
| 91                  | 143              | 199                              | 173              | 240              | 148              | 208                           | 186              | 255              | 174              | 234                           | 203              | 298              |
| 92+                 | 152              | 211                              | 185              | 253              | 157              | 221                           | 200              | 270              | 183              | 249                           | 218              | 317              |
|                     |                  |                                  |                  |                  |                  |                               |                  |                  |                  |                               |                  |                  |

#### Coverage Enhancement Rider Elimination Period Factors Preferred Rate Class

| From:    | 30 days      | 60 days      | 90 days      | 180 days     | 365 days     |
|----------|--------------|--------------|--------------|--------------|--------------|
| To:      | 7 days       | 30 days      | 60 days      | 90 days      | 180 days     |
| Age      | ,-           |              |              |              |              |
| 18-40    | 1.50         | 1.49         | 1.47         | 1.51         | 1.53         |
| 41       | 1.50         | 1.49         | 1.47         | 1.51         | 1.53         |
| 42       | 1.50         | 1.49         | 1.47         | 1.51         | 1.53         |
| 43       | 1.48         | 1.46         | 1.45         | 1.49         | 1.51         |
| 44       | 1.45         | 1.44         | 1.43         | 1.47         | 1.49         |
| 45       | 1.43         | 1.42         | 1.40         | 1.44         | 1.46         |
| 46       | 1.41         | 1.40         | 1.38         | 1.42         | 1.44         |
| 47       | 1.39         | 1.38         | 1.36         | 1.40         | 1.42         |
| 48       | 1.39         | 1.38         | 1.36         | 1.40         | 1.42         |
| 49<br>50 | 1.39<br>1.39 | 1.38<br>1.38 | 1.36<br>1.36 | 1.40<br>1.40 | 1.42<br>1.42 |
| 50<br>51 | 1.39         | 1.38         | 1.36         | 1.40         | 1.42         |
| 52       | 1.39         | 1.38         | 1.36         | 1.40         | 1.42         |
| 53       | 1.37         | 1.35         | 1.34         | 1.38         | 1.42         |
| 54       | 1.34         | 1.33         | 1.32         | 1.36         | 1.37         |
| 55       | 1.32         | 1.31         | 1.30         | 1.33         | 1.35         |
| 56       | 1.30         | 1.29         | 1.27         | 1.31         | 1.33         |
| 57       | 1.28         | 1.27         | 1.25         | 1.29         | 1.31         |
| 58       | 1.26         | 1.25         | 1.23         | 1.27         | 1.28         |
| 59       | 1.23         | 1.22         | 1.21         | 1.24         | 1.26         |
| 60       | 1.21         | 1.20         | 1.19         | 1.22         | 1.24         |
| 61       | 1.19         | 1.18         | 1.17         | 1.20         | 1.22         |
| 62       | 1.17         | 1.16         | 1.14         | 1.18         | 1.19         |
| 63       | 1.17         | 1.16         | 1.14         | 1.18         | 1.19         |
| 64       | 1.16         | 1.15         | 1.14         | 1.17         | 1.19         |
| 65       | 1.16         | 1.15         | 1.14         | 1.17         | 1.19         |
| 66       | 1.16         | 1.15         | 1.14         | 1.17         | 1.18         |
| 67       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 68       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 69<br>70 | 1.16         | 1.15         | 1.13         | 1.17<br>1.17 | 1.18         |
| 70<br>71 | 1.16<br>1.16 | 1.15<br>1.15 | 1.13<br>1.13 | 1.17         | 1.18<br>1.18 |
| 71       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 73       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 74       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 75       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 76       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 77       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 78       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 79       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 80       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 81       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 82       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 83       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 86       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 87       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 88       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 89       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 90<br>91 | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 91       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 92+      | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |

Base Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit
Daily Benefit range from \$50 - \$99

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age      | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime  | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   |
|----------|----------|----------|----------|----------|----------|-----------|----------|----------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|
| 18-40    | 40       | 43       | 47       | 50       | 55       | 64        | 41       | 45       | 49       | 51       | 57       | 67         | 46       | 51       | 53       | 57       | 62       | 74         |
| 41       | 40       | 43       | 47       | 50       | 55       | 64        | 41       | 45       | 49       | 52       | 58       | 67         | 46       | 51       | 53       | 57       | 63       | 74         |
| 42       | 40       | 43       | 48       | 51       | 56       | 65        | 41       | 45       | 50       | 52       | 58       | 68         | 46       | 51       | 54       | 58       | 63       | 75         |
| 43       | 41       | 45       | 49       | 52       | 57       | 67        | 42       | 46       | 51       | 53       | 59       | 69         | 47       | 52       | 55       | 59       | 65       | 76         |
| 44       | 42       | 46       | 50       | 53       | 58       | 68        | 43       | 47       | 52       | 54       | 60       | 71         | 48       | 53       | 56       | 60       | 66       | 78         |
| 45       | 43       | 48       | 51       | 54       | 59       | 69        | 44       | 48       | 53       | 55       | 61       | 72         | 49       | 54       | 57       | 61       | 67       | 79         |
| 46       | 44       | 49       | 52       | 55       | 60       | 71        | 45       | 49       | 54       | 56       | 62       | 74         | 50       | 55       | 59       | 62       | 68       | 80         |
| 47       | 45       | 51       | 53       | 56       | 61       | 72        | 47       | 50       | 55       | 57       | 63       | 75         | 51       | 57       | 60       | 63       | 70       | 82         |
| 48       | 46       | 51       | 54       | 57       | 62       | 74        | 47       | 51       | 56       | 58       | 63       | 77         | 52       | 57       | 61       | 64       | 70       | 84         |
| 49       | 46       | 52       | 55       | 58       | 63       | 76        | 48       | 52       | 56       | 59       | 64       | 78         | 52       | 57       | 61       | 64       | 71       | 85         |
| 50       | 47       | 52       | 55       | 58       | 63       | 78        | 48       | 53       | 57       | 60       | 65       | 80         | 53       | 58       | 62       | 65       | 72       | 87         |
| 51       | 48       | 53       | 56       | 59       | 64       | 79        | 49       | 54       | 57       | 60       | 66       | 82         | 54       | 58       | 63       | 65       | 73       | 89         |
| 52       | 49       | 54       | 57       | 60       | 65       | 81        | 50       | 54       | 58       | 61       | 67       | 83         | 55       | 58       | 64       | 66       | 74       | 91         |
| 53       | 50       | 55       | 60       | 63       | 68       | 85        | 51       | 56       | 61       | 64       | 70       | 87         | 57       | 61       | 66       | 69       | 77       | 95         |
| 54       | 52       | 57       | 62       | 66       | 72       | 89        | 53       | 58       | 63       | 67       | 74<br>77 | 91         | 58       | 63       | 69<br>72 | 72       | 81       | 99         |
| 55       | 54       | 59       | 64       | 68       | 75<br>70 | 94        | 55<br>57 | 60       | 66       | 70       |          | 95         | 60       | 65       |          | 75<br>70 | 85       | 104        |
| 56<br>57 | 56<br>50 | 61<br>63 | 67<br>69 | 71<br>74 | 79<br>82 | 98<br>102 | 57<br>50 | 62<br>63 | 68<br>71 | 73<br>76 | 80<br>84 | 100<br>104 | 62<br>64 | 67<br>70 | 74<br>77 | 79<br>82 | 88<br>92 | 108<br>112 |
|          | 58<br>62 | 63<br>67 | 75       | 74<br>80 | 89       | 110       | 58       | 68       | 71       | 76<br>82 | 91       | 113        | 69       | 70<br>75 | 84       | 89       | 92       | 122        |
| 58<br>59 | 67       | 72       | 75<br>81 | 86       | 96       | 110       | 63<br>67 | 73       | 83       | 89       | 98       | 122        | 74       | 75<br>80 | 90       | 95       | 107      | 132        |
| 60       | 71       | 72<br>76 | 87       | 92       | 102      | 128       | 72       | 73<br>78 | 88       | 95       | 105      | 132        | 74<br>79 | 85       | 97       | 102      | 114      | 143        |
| 61       | 76       | 81       | 92       | 98       | 102      | 136       | 76       | 83       | 94       | 101      | 112      | 141        | 84       | 90       | 103      | 102      | 122      | 153        |
| 62       | 80       | 86       | 98       | 105      | 116      | 145       | 81       | 87       | 100      | 108      | 119      | 150        | 89       | 95       | 109      | 116      | 129      | 163        |
| 63       | 88       | 94       | 108      | 116      | 128      | 160       | 89       | 96       | 110      | 119      | 132      | 166        | 97       | 104      | 120      | 129      | 143      | 180        |
| 64       | 95       | 103      | 117      | 127      | 140      | 175       | 96       | 105      | 119      | 131      | 145      | 181        | 105      | 114      | 130      | 141      | 157      | 197        |
| 65       | 103      | 111      | 126      | 139      | 152      | 191       | 104      | 113      | 129      | 142      | 159      | 197        | 114      | 123      | 141      | 154      | 170      | 214        |
| 66       | 111      | 120      | 136      | 150      | 165      | 206       | 112      | 122      | 138      | 154      | 172      | 212        | 122      | 133      | 151      | 167      | 184      | 231        |
| 67       | 118      | 128      | 145      | 161      | 177      | 221       | 120      | 131      | 148      | 165      | 185      | 228        | 130      | 142      | 162      | 180      | 198      | 248        |
| 68       | 135      | 145      | 164      | 184      | 202      | 249       | 137      | 149      | 168      | 189      | 211      | 257        | 148      | 162      | 183      | 205      | 227      | 281        |
| 69       | 151      | 163      | 182      | 207      | 227      | 277       | 153      | 166      | 187      | 213      | 236      | 287        | 167      | 181      | 204      | 231      | 255      | 313        |
| 70       | 167      | 180      | 201      | 230      | 252      | 305       | 170      | 184      | 207      | 236      | 262      | 316        | 185      | 201      | 225      | 257      | 284      | 345        |
| 71       | 183      | 197      | 219      | 252      | 277      | 333       | 186      | 202      | 227      | 260      | 287      | 346        | 203      | 220      | 246      | 283      | 313      | 377        |
| 72       | 199      | 214      | 238      | 275      | 302      | 360       | 203      | 220      | 247      | 284      | 313      | 375        | 221      | 239      | 267      | 309      | 342      | 409        |
| 73       | 226      | 243      | 271      | 314      | 344      | 409       | 230      | 250      | 280      | 324      | 357      | 426        | 251      | 272      | 302      | 352      | 390      | 464        |
| 74       | 253      | 272      | 303      | 352      | 387      | 457       | 258      | 279      | 314      | 363      | 401      | 476        | 281      | 304      | 337      | 395      | 438      | 519        |
| 75       | 280      | 301      | 336      | 391      | 430      | 505       | 286      | 309      | 347      | 403      | 446      | 526        | 312      | 337      | 373      | 439      | 486      | 574        |
| 76       | 307      | 330      | 369      | 429      | 472      | 553       | 313      | 339      | 381      | 443      | 490      | 577        | 342      | 369      | 408      | 482      | 533      | 628        |
| 77       | 334      | 359      | 401      | 468      | 515      | 602       | 341      | 369      | 414      | 483      | 534      | 627        | 372      | 402      | 443      | 526      | 581      | 683        |
| 78       | 376      | 403      | 446      | 511      | 564      | 660       | 384      | 413      | 460      | 527      | 585      | 688        | 419      | 450      | 495      | 574      | 642      | 749        |
| 79       | 419      | 446      | 491      | 554      | 614      | 718       | 427      | 458      | 506      | 571      | 636      | 749        | 466      | 499      | 546      | 622      | 703      | 816        |
| 80       | 461      | 490      | 535      | 597      | 663      | 777       | 471      | 502      | 552      | 615      | 687      | 810        | 513      | 548      | 598      | 670      | 764      | 882        |
| 81       | 504      | 533      | 580      | 640      | 712      | 835       | 514      | 547      | 597      | 659      | 738      | 870        | 560      | 596      | 650      | 719      | 825      | 948        |
| 82       | 547      | 577      | 624      | 682      | 762      | 894       | 558      | 591      | 643      | 703      | 789      | 931        | 607      | 645      | 701      | 767      | 886      | 1,015      |
| 83       | 601      | 636      | 690      | 757      | 845      | 991       | 614      | 652      | 711      | 780      | 876      | 1,035      | 655      | 711      | 776      | 850      | 983      | 1,127      |
| 84       | 663      | 700      | 763      | 839      | 937      | 1,099     | 677      | 719      | 787      | 865      | 971      | 1,148      | 721      | 783      | 857      | 943      | 1,091    | 1,252      |

Base Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit
Daily Benefit range from \$100 - \$500

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age      | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   | 2 year     | 3 year     | 4 year     | 5 year               | 8 year     | Lifetime     |
|----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|----------------------|------------|--------------|
| 18-40    | 32         | 36         | 40         | 42         | 47         | 57         | 33         | 37         | 41         | 44         | 49         | 60         | 37         | 41         | 45         | 49                   | 54         | 66           |
| 41       | 32         | 36         | 40         | 42         | 47         | 57         | 33         | 37         | 41         | 45         | 50         | 60         | 37         | 41         | 45         | 49                   | 55         | 66           |
| 42       | 32         | 36         | 41         | 43         | 48         | 58         | 33         | 37         | 42         | 45         | 50         | 61         | 37         | 42         | 46         | 50                   | 55         | 67           |
| 43       | 33         | 37         | 42         | 44         | 49         | 60         | 34         | 38         | 43         | 45         | 51         | 62         | 38         | 43         | 47         | 50                   | 56         | 68           |
| 44       | 34         | 38         | 42         | 45         | 50         | 61         | 35         | 39         | 44         | 46         | 51         | 63         | 39         | 44         | 48         | 51                   | 57         | 69           |
| 45       | 35         | 39         | 43         | 46         | 51         | 62         | 36         | 39         | 45         | 47         | 52         | 64         | 40         | 44         | 48         | 52                   | 58         | 71           |
| 46       | 36         | 40         | 44         | 47         | 52         | 63         | 37         | 40         | 45         | 48         | 53         | 66         | 40         | 45         | 49         | 53                   | 59         | 72           |
| 47       | 36         | 41         | 44         | 47         | 53         | 64         | 38         | 41         | 46         | 49         | 54         | 67         | 41         | 46         | 50         | 53                   | 60         | 73           |
| 48       | 37         | 42         | 45         | 48         | 54         | 66         | 38         | 42         | 47         | 49         | 55         | 68         | 42         | 47         | 51         | 54                   | 61         | 75           |
| 49       | 37         | 43         | 46         | 49         | 54         | 68         | 38         | 43         | 47         | 50         | 56         | 70         | 42         | 47         | 52         | 55                   | 62         | 77           |
| 50       | 38         | 43         | 47         | 50         | 55         | 70         | 39         | 44         | 48         | 51         | 56         | 72         | 43         | 48         | 52         | 55                   | 62         | 78           |
| 51       | 39         | 44         | 47         | 51         | 56         | 71         | 39         | 45         | 48         | 51         | 57         | 73         | 43         | 48         | 53         | 56                   | 63         | 80           |
| 52       | 39         | 45         | 48         | 51         | 56         | 73         | 40         | 45         | 49         | 52         | 58         | 75         | 44         | 49         | 54         | 57                   | 64         | 82           |
| 53       | 41         | 46         | 50         | 54         | 59         | 77         | 41         | 47         | 51         | 54         | 61         | 78         | 45         | 50         | 56         | 59                   | 67         | 85           |
| 54       | 42         | 47         | 52         | 56         | 62         | 80         | 43         | 48         | 53         | 57         | 63         | 82         | 47         | 52         | 58         | 61                   | 70<br>70   | 89           |
| 55       | 43         | 49<br>50   | 54<br>56   | 58         | 64         | 84<br>87   | 44<br>45   | 50         | 55<br>57   | 59         | 66<br>68   | 85         | 48         | 54<br>56   | 60         | 64                   | 72<br>75   | 93           |
| 56<br>57 | 45<br>46   | 50<br>52   | 56<br>57   | 60<br>62   | 67<br>69   | 91         | 45<br>47   | 51<br>52   | 57<br>59   | 61<br>64   | 71         | 89<br>93   | 50<br>51   | 56<br>58   | 62<br>64   | 66<br>69             | 75<br>78   | 96<br>100    |
| 58       | 50         | 55         | 62         | 67         | 75         | 98         | 50         | 56         | 64         | 69         | 77         | 100        | 55         | 62         | 69         | 74                   | 84         | 108          |
| 59       | 53         | 59         | 66         | 72         | 80         | 105        | 54         | 60         | 68         | 74         | 82         | 100        | 59         | 66         | 74         | 7 <del>4</del><br>79 | 90         | 117          |
| 60       | 57         | 63         | 71         | 77         | 86         | 112        | 57         | 64         | 72         | 79         | 88         | 115        | 63         | 70         | 79         | 85                   | 96         | 125          |
| 61       | 60         | 66         | 75         | 82         | 91         | 119        | 61         | 68         | 77         | 84         | 93         | 123        | 67         | 74         | 84         | 90                   | 102        | 133          |
| 62       | 64         | 70         | 80         | 86         | 97         | 126        | 64         | 72         | 81         | 89         | 99         | 131        | 71         | 78         | 89         | 96                   | 108        | 142          |
| 63       | 70         | 77         | 88         | 95         | 106        | 139        | 70         | 78         | 90         | 98         | 110        | 144        | 77         | 85         | 98         | 106                  | 119        | 156          |
| 64       | 76         | 83         | 96         | 104        | 116        | 152        | 76         | 85         | 98         | 107        | 121        | 158        | 84         | 93         | 107        | 116                  | 130        | 171          |
| 65       | 82         | 90         | 105        | 113        | 126        | 166        | 83         | 92         | 106        | 116        | 131        | 171        | 90         | 100        | 116        | 126                  | 141        | 186          |
| 66       | 88         | 97         | 113        | 122        | 136        | 179        | 89         | 99         | 115        | 125        | 142        | 185        | 97         | 107        | 126        | 136                  | 152        | 201          |
| 67       | 94         | 103        | 121        | 131        | 146        | 192        | 95         | 106        | 123        | 134        | 153        | 198        | 103        | 115        | 135        | 146                  | 164        | 216          |
| 68       | 106        | 117        | 136        | 150        | 166        | 216        | 108        | 120        | 140        | 154        | 174        | 223        | 117        | 130        | 152        | 167                  | 187        | 243          |
| 69       | 119        | 131        | 152        | 168        | 187        | 239        | 121        | 134        | 156        | 173        | 194        | 247        | 131        | 146        | 170        | 188                  | 210        | 270          |
| 70       | 131        | 144        | 167        | 187        | 207        | 262        | 133        | 148        | 173        | 192        | 215        | 272        | 145        | 161        | 187        | 209                  | 234        | 296          |
| 71       | 143        | 158        | 183        | 205        | 227        | 285        | 146        | 162        | 189        | 211        | 236        | 296        | 159        | 176        | 205        | 230                  | 257        | 323          |
| 72       | 155        | 172        | 198        | 224        | 247        | 308        | 159        | 176        | 206        | 231        | 257        | 321        | 173        | 192        | 222        | 251                  | 280        | 350          |
| 73       | 176        | 194        | 226        | 255        | 282        | 349        | 179        | 199        | 234        | 263        | 293        | 364        | 195        | 217        | 252        | 286                  | 319        | 397          |
| 74       | 196        | 217        | 253        | 286        | 317        | 390        | 200        | 222        | 262        | 296        | 329        | 407        | 218        | 242        | 281        | 321                  | 359        | 443          |
| 75       | 216        | 240        | 280        | 318        | 352        | 432        | 221        | 246        | 290        | 328        | 365        | 450        | 241        | 268        | 311        | 357                  | 398        | 490          |
| 76       | 236        | 262        | 307        | 349        | 387        | 473        | 241        | 269        | 317        | 361        | 402        | 493        | 264        | 293        | 340        | 392                  | 437        | 537          |
| 77       | 257        | 285        | 334        | 380        | 422        | 514        | 262        | 293        | 345        | 393        | 438        | 536        | 286        | 319        | 369        | 427                  | 477        | 584          |
| 78       | 288        | 319        | 372        | 416        | 462        | 564        | 293        | 327        | 383        | 430        | 480        | 588        | 320        | 357        | 412        | 468                  | 526        | 640          |
| 79       | 318        | 353        | 409        | 452        | 503        | 614        | 325        | 362        | 422        | 466        | 521        | 640        | 354        | 395        | 455        | 508                  | 576        | 697          |
| 80       | 349        | 387        | 446        | 488        | 543        | 664        | 356        | 396        | 460        | 503        | 563        | 692        | 388        | 432        | 498        | 548                  | 626        | 754          |
| 81       | 380        | 420        | 483        | 524        | 584<br>625 | 714        | 388        | 431        | 498        | 540<br>576 | 605        | 744        | 422        | 470        | 541        | 588                  | 676        | 810          |
| 82       | 411        | 454<br>501 | 520<br>575 | 559        |            | 764<br>947 | 419        | 466        | 536        |            | 647        | 796        | 456        | 508        | 584        | 629<br>607           | 726        | 867          |
| 83<br>84 | 452<br>499 | 501<br>551 | 575<br>636 | 621<br>688 | 693<br>768 | 847<br>939 | 462<br>509 | 513<br>566 | 593<br>656 | 640<br>709 | 718<br>796 | 884<br>981 | 493<br>542 | 560<br>616 | 646<br>714 | 697<br>773           | 805<br>894 | 963<br>1,070 |
| 04       | 433        | 331        | 030        | 000        | 700        | 508        | 509        | 500        | 000        | 709        | 130        | 901        | 342        | 010        | / 14       | 113                  | 034        | 1,070        |

#### **Rider Premium Rates and Premium Factors**

Factors applied to base premium rates

| Part  |      |      |      |      |      | 5%   |        |      |      |       | Full  |      |                    |                         |         |
|---|------|------|------|------|------|------|--------|------|------|-------|-------|------|--------------------|-------------------------|---------|
| The color     |      |      |      |      |      |      |        |      |      |       |       |      | 5 6                | <b>.</b>                |         |
| 18-40   | امما |      |      |      |      |      | 10 pay |      | CDD  |       |       |      |                    |                         |         |
| 41   2.66   2.26   1.85   1.79   1.00   3.72   1.75   1.20   1.30   1.49   1.12   3 year   1.05   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 42   2.66   2.26   1.85   1.79   1.60   3.72   1.75   1.20   1.30   1.49   1.12   4 year   1.04   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 43  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 46  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 46  | 44   | 2.64 | 2.24 | 1.85 | 1.79 | 1.60 | 3.53   | 1.80 | 1.20 | 1.34  | 1.53  | 1.12 | 8 year             | 1.04                    |         |
| 47   261   2.22   1.85   1.80   1.60   3.25   1.88   1.21   1.39   1.60   1.12   Spousal Showard Care Harmond Care Harmon | 45   | 2.63 | 2.24 | 1.85 | 1.80 | 1.60 | 3.44   | 1.83 | 1.21 | 1.35  | 1.56  | 1.12 |                    | N / A                   |         |
| 48  | 46   | 2.62 | 2.23 | 1.85 | 1.80 | 1.60 | 3.34   | 1.85 | 1.21 | 1.37  | 1.58  | 1.12 |                    |                         |         |
| Second      |      |      |      | 1.85 | 1.80 | 1.60 | 3.25   | 1.88 |      | 1.39  |       | 1.12 |                    |                         |         |
| 50  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 5   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| Second Color  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 55  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 54  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 55   2.33   2.05   1.76   1.74   1.80   2.66   1.23   1.59   1.84   1.12   8 year   1.02   1.02   1.05     |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| Fig.     |      |      |      |      |      |      |        | 2.52 |      |       |       |      |                    |                         |         |
| 57  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 58   2.18   1.94   1.88   1.71   1.60   2.45   1.24   1.69   1.97   1.11   Restoration of Benefits and Shared Care are not all the wind in the area of the standard of the    |      |      |      |      |      |      |        |      |      |       |       |      | Lifetime           | N/A                     | N/A     |
| 59  |      |      |      |      |      |      |        |      |      |       |       |      | Postoration of Po  | nofite and Charad Care  | oro     |
| 60  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 61  |      |      |      |      |      |      |        |      |      |       |       |      | not available with | Lifetime benefit period | горион. |
| Fig.   Section         |      |      |      |      |      |        |      |      |       |       |      | HCC Monthly Re     | nefit                   | 1.06    |
| 65   2.03   1.81   1.58   1.66   1.57   2.08   1.25   1.90   2.23   1.11     HCC Calendar Day EP   1.02   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 64  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 65  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 66  |      |      |      |      |      |      |        |      |      |       |       |      |                    | •                       | 2       |
| 67  |      |      |      |      |      |      |        |      |      |       |       | 1.10 | Monthly Indemni    | tv Benefit              |         |
| 69  |      |      |      |      | 1.59 |      |        |      |      |       |       | 1.10 |                    | *                       | 1.04    |
| 70  | 68   | 1.82 | 1.65 | 1.48 | 1.57 | 1.53 | 1.76   |      | 1.26 | 2.36  | 2.81  | 1.10 | 25%                |                         | 1.10    |
| 71  |      | 1.78 | 1.62 | 1.46 | 1.55 | 1.52 | 1.71   |      | 1.27 | 2.50  | 3.00  | 1.10 | 50%                |                         |         |
| 72  | 70   | 1.74 | 1.59 | 1.44 | 1.54 | 1.51 | 1.65   |      | 1.27 | 2.65  | 3.19  | 1.09 | 100% (age < 60)    |                         | 2.57    |
| 73         1.63         1.51         1.39         1.48         1.48         1.48         1.28         3.54         4.54         1.06         Elimination Period Factors           74         1.60         1.49         1.37         1.47         1.42         1.28         4.23         5.71         1.05         7 Day         1.30           75         1.57         1.46         1.36         1.45         1.44         1.44         1.31         1.28         5.06         721         1.04         30 Day         1.18           76         1.54         1.44         1.34         1.44         1.43         1.25         1.29         6.07         11.66         1.02         90 Day         1.08           77         1.51         1.42         1.33         1.42         1.43         1.25         1.29         6.07         11.66         1.02         90 Day         1.00           78         1.49         1.40         1.32         1.42         1.43         1.25         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.16         1.29         10.48  |      |      |      |      |      |      |        |      |      |       |       |      | 100% (age 60+)     |                         | 2.23    |
| 74         1.60         1.49         1.37         1.47         1.42         1.28         4.23         5.71         1.05         7 Day         1.30           75         1.57         1.46         1.36         1.45         1.45         1.37         1.28         5.06         7.21         1.04         30 Day         1.18           76         1.54         1.44         1.34         1.44         1.41         1.42         1.31         1.28         5.82         9.15         1.03         60 Day         1.18           77         1.51         1.42         1.33         1.42         1.43         1.25         1.29         6.07         11.66         1.02         90 Day         1.00           78         1.49         1.40         1.32         1.41         1.42         1.22         1.29         7.28         13.99         1.02         180 Day         0.90           79         1.46         1.38         1.30         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.16         1.29         10.48   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 75         1.57         1.46         1.36         1.45         1.45         1.37         1.28         5.06         7.21         1.04         30 Day         1.18           76         1.54         1.44         1.34         1.44         1.31         1.28         5.82         9.15         1.03         60 Day         1.08           77         1.51         1.42         1.33         1.42         1.43         1.22         1.29         6.07         11.66         1.02         90 Day         1.00           78         1.49         1.40         1.32         1.41         1.42         1.22         1.29         7.28         13.99         1.02         180 Day         0.90           79         1.46         1.38         1.30         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           81         1.41         1.35         1.27         1.37         1.39         1.13         1.30         10.48  |      |      |      |      |      |      |        |      |      |       |       |      |                    | od Factors              |         |
| 76         1.54         1.44         1.34         1.44         1.31         1.28         5.82         9.15         1.03         60 Day         1.08           77         1.51         1.42         1.33         1.42         1.43         1.25         1.29         6.07         11.66         1.02         90 Day         1.00           78         1.49         1.40         1.32         1.41         1.42         1.22         1.29         7.28         13.99         1.02         180 Day         0.90           79         1.46         1.38         1.30         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.16         1.29         10.48         20.15         1.02          1.02         865 Day         0.80           81         1.41         1.35         1.27         1.37         1.39         1.13         1.02         1.048         20.15         1.02          1.02          1.02         Risk Class Factors          1.02         1.02         1.02         1.02  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 77  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 78         1.49         1.40         1.32         1.41         1.42         1.22         1.29         7.28         13.99         1.02         180 Day         0.90           79         1.46         1.38         1.30         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.41         1.19         1.29         1.02         80  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 79         1.46         1.38         1.30         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.16         1.29         10.48         20.15         1.02         Risk Class Factors           81         1.41         1.35         1.27         1.37         1.39         1.13         1.26         1.36         1.38         1.10         1.30         10.48         20.15         1.02         Preferred Plus         0.85           82         1.39         1.33         1.26         1.35         1.36         1.09         1.30         10.48         20.15         1.02         Preferred Plus         0.85           83         1.37         1.31         1.25         1.35         1.36         1.09         1.30         10.48         20.15         1.02         Preferred Plus         0.85           84         1.35         1.30         1.24         1.04         1.09         1.30         10.48         20.15         1.02         Standard         1.20           85         1.34         1.29         1.23         1   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 80         1.44         1.37         1.29         1.38         1.40         1.16         1.29         10.48         20.15         1.02         Risk Class Factors           81         1.41         1.35         1.27         1.37         1.39         1.13         1.30         10.48         20.15         1.02         Risk Class Factors           82         1.39         1.33         1.26         1.36         1.38         1.10         1.30         10.48         20.15         1.02         Preferred Plus         0.85           83         1.37         1.31         1.25         1.35         1.36         1.09         1.30         10.48         20.15         1.02         Preferred Plus         0.85           84         1.35         1.30         1.24         1.34         1.34         1.08         1.30         10.48         20.15         1.02         Preferred Plus         0.85           85         1.34         1.29         1.23         1.33         1.30         10.48         20.15         1.02         Standard         1.20           88         1.29         1.25         1.20         1.28         1.29         1.30         10.48         20.15         1.02 <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 81         1.41         1.35         1.27         1.37         1.39         1.13         1.30         10.48         20.15         1.02         Risk Class Factors           82         1.39         1.33         1.26         1.36         1.38         1.10         1.30         10.48         20.15         1.02         Preferred Plus         0.85           83         1.37         1.31         1.26         1.36         1.39         1.30         10.48         20.15         1.02         Preferred Plus         0.85           84         1.35         1.30         1.24         1.34         1.34         1.08         1.30         10.48         20.15         1.02         Preferred Plus         0.85           85         1.34         1.29         1.23         1.32         1.33         1.30         10.48         20.15         1.02         Standard         1.20           85         1.34         1.29         1.23         1.32         1.33         1.30         10.48         20.15         1.02         Select IV         3.00           89         1.28         1.23         1.28         1.30         10.48         20.15         1.02         Discount Factors <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>303 Day</td><td></td><td>0.60</td></td<>   |      |      |      |      |      |      |        |      |      |       |       |      | 303 Day            |                         | 0.60    |
| 82     1.39     1.33     1.26     1.36     1.38     1.10     1.30     10.48     20.15     1.02     Preferred Plus     0.85       83     1.37     1.31     1.25     1.35     1.36     1.09     1.30     10.48     20.15     1.02     Preferred Plus     0.85       84     1.35     1.30     1.24     1.34     1.34     1.09     1.30     10.48     20.15     1.02     Standard     1.20       85     1.34     1.29     1.23     1.32     1.33     1.30     10.48     20.15     1.02     Select I     1.50       88     1.29     1.25     1.20     1.28     1.29     1.30     10.48     20.15     1.02     Select IV     3.00       89     1.28     1.23     1.8     1.26     1.28     1.30     10.48     20.15     1.02     Select IV     3.00       90     1.26     1.22     1.17     1.24     1.26     1.30     10.48     20.15     1.02     Discount Factors       91     1.25     1.20     1.6     1.23     1.25     1.30     10.48     20.15     1.02     Married     0.90       92+     1.23     1.19     1.15     1.21     1.23<  |      |      |      |      |      |      |        |      |      |       |       |      | Rick Clace Facto   | ire                     |         |
| 83     1.37     1.31     1.25     1.35     1.36     1.09     1.30     10.48     20.15     1.02     Preferred     1.00       84     1.35     1.30     1.24     1.34     1.34     1.08     1.30     10.48     20.15     1.02     Standard     1.20       85     1.34     1.29     1.23     1.32     1.33     1.30     10.48     20.15     1.02     Select I     1.50       88     1.29     1.25     1.20     1.28     1.29     1.30     10.48     20.15     1.02     Select IV     3.00       89     1.28     1.23     1.18     1.26     1.28     1.30     10.48     20.15     1.02     Discount Factors       90     1.26     1.22     1.17     1.24     1.26     1.30     10.48     20.15     1.02     Discount Factors       91     1.25     1.20     1.16     1.23     1.25     1.30     10.48     20.15     1.02     Married     0.90       92+     1.23     1.19     1.15     1.21     1.23     1.30     10.48     20.15     1.02     Spousal     0.70  |      |      |      |      |      |      |        |      |      |       |       |      |                    | 113                     | 0.85    |
| 84     1.35     1.30     1.24     1.34     1.34     1.08     1.30     10.48     20.15     1.02     Standard     1.20       85     1.34     1.29     1.23     1.32     1.33     1.30     10.48     20.15     1.02     Select IV     1.50       88     1.29     1.20   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 85     1.34     1.29     1.23     1.32     1.33     1.30     10.48     20.15     1.02     Select I     1.50       88     1.29     1.25     1.20     1.28     1.29     1.30     10.48     20.15     1.02     Select IV     3.00       89     1.28     1.23     1.18     1.26     1.28     1.30     10.48     20.15     1.02     Select IV     3.00       90     1.26     1.22     1.17     1.24     1.26     1.30     10.48     20.15     1.02     Discount Factors       91     1.25     1.20     1.16     1.23     1.25     1.30     10.48     20.15     1.02     Married     0.90       92+     1.23     1.19     1.15     1.21     1.23     1.30     10.48     20.15     1.02     Spousal     0.70   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 88     1.29     1.25     1.20     1.28     1.29     1.30     10.48     20.15     1.02     Select IV     3.00       89     1.28     1.23     1.18     1.26     1.28     1.30     10.48     20.15     1.02       90     1.26     1.22     1.17     1.24     1.26     1.30     10.48     20.15     1.02     Discount Factors       91     1.25     1.20     1.16     1.23     1.25     1.30     10.48     20.15     1.02     Married     0.90       92+     1.23     1.19     1.15     1.21     1.23     1.30     10.48     20.15     1.02     Spousal     0.70  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 89     1.28     1.23     1.18     1.26     1.28     1.30     10.48     20.15     1.02  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 90 1.26 1.22 1.17 1.24 1.26 1.30 10.48 20.15 1.02 <u>Discount Factors</u><br>91 1.25 1.20 1.16 1.23 1.25 1.30 10.48 20.15 1.02 <u>Married</u> 0.90<br>92+ 1.23 1.19 1.15 1.21 1.23 1.30 10.48 20.15 1.02 <u>Spousal</u> 0.70  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 91 1.25 1.20 1.16 1.23 1.25 1.30 10.48 20.15 1.02 Married 0.90 92+ 1.23 1.19 1.15 1.21 1.23 1.30 10.48 20.15 1.02 Spousal 0.70  |      | 1.26 |      | 1.17 | 1.24 |      |        |      |      | 10.48 |       | 1.02 | Discount Factors   | 3                       |         |
|   |      |      |      |      |      |      |        |      |      |       |       |      | Married            |                         |         |
| Facility Care Only Endorsement 0.90   | 92+  | 1.23 | 1.19 | 1.15 | 1.21 | 1.23 |        |      | 1.30 | 10.48 | 20.15 | 1.02 |                    |                         |         |
|   |      |      |      |      |      |      |        |      |      |       |       |      | Facility Care Only | Endorsement             | 0.90    |

Coverage Enhancement Rider
Daily Benefit Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age      | 2 year   | 3 year     | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   |
|----------|----------|------------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|
| 18-40    | 44       | 49         | 54       | 57       | 64       | 78         | 45       | 50       | 56       | 61       | 67       | 82         | 50       | 56       | 61       | 67       | 73       | 90         |
| 41       | 44       | 49         | 54       | 57       | 64       | 78         | 45       | 50       | 56       | 61       | 68       | 82         | 50       | 56       | 61       | 67       | 75       | 90         |
| 42       | 44       | 49         | 56       | 59       | 66       | 79         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 57       | 62       | 67       | 74       | 91         |
| 43       | 44       | 50         | 56       | 59       | 66       | 80         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 57       | 63       | 67       | 75       | 91         |
| 44       | 45       | 50         | 56       | 59       | 66       | 80         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 58       | 63       | 67       | 75       | 91         |
| 45       | 45       | 51         | 56       | 59       | 66       | 80         | 47       | 51       | 57       | 61       | 68       | 84         | 51       | 58       | 63       | 67       | 75       | 92         |
| 46       | 45       | 51         | 56       | 60       | 66       | 81         | 47       | 51       | 57       | 61       | 68       | 84         | 52       | 58       | 63       | 67       | 75       | 92         |
| 47       | 46       | 52         | 56       | 60       | 67       | 81         | 47       | 52       | 57       | 61       | 68       | 84         | 52       | 58       | 63       | 67       | 76       | 92         |
| 48       | 47       | 53         | 57       | 61       | 67       | 83         | 48       | 53       | 58       | 62       | 69       | 86         | 53       | 59       | 64       | 68       | 77       | 94         |
| 49       | 48       | 54         | 58       | 62       | 68       | 86         | 49       | 54       | 59       | 63       | 70       | 88         | 53       | 59       | 65       | 69       | 78       | 96         |
| 50       | 49       | 55         | 59       | 63       | 69       | 88         | 50       | 55       | 60       | 64       | 71       | 90         | 54       | 60       | 66       | 70       | 79       | 99         |
| 51       | 50       | 55         | 61       | 64       | 70       | 90         | 51       | 56       | 61       | 65       | 72       | 92         | 55       | 61       | 67       | 70       | 80       | 101        |
| 52       | 50       | 56         | 62       | 65       | 71       | 92         | 51       | 57       | 61       | 66       | 73       | 94         | 56       | 61       | 68       | 71       | 81       | 103        |
| 53       | 51       | 57         | 63       | 66       | 73       | 95         | 52       | 58       | 63       | 67       | 75       | 97         | 56       | 62       | 69       | 73       | 83       | 106        |
| 54       | 52       | 58         | 64       | 68       | 75<br>77 | 97         | 53       | 59       | 64       | 69       | 77<br>70 | 100        | 57       | 63       | 70       | 75<br>76 | 85       | 108        |
| 55       | 52       | 59<br>50   | 65<br>66 | 69       | 77<br>70 | 100        | 53       | 59       | 66       | 71<br>72 | 79       | 102        | 58<br>50 | 65<br>66 | 72<br>73 | 76       | 86       | 111        |
| 56       | 53       | 59         | 66       | 71       | 79       | 103        | 54       | 60       | 67       |          | 81       | 105        | 59       | 66       | 73<br>75 | 78       | 88       | 113        |
| 57<br>58 | 54<br>57 | 60<br>63   | 67<br>70 | 72<br>76 | 81<br>85 | 105<br>111 | 55<br>57 | 61<br>64 | 69<br>72 | 74<br>78 | 82<br>87 | 107<br>114 | 59<br>62 | 67<br>70 | 75<br>78 | 80<br>84 | 90<br>95 | 116<br>123 |
| 59       | 59       | 66         | 70<br>74 | 80       | 89       | 117        | 60       | 67       | 72<br>76 | 82       | 91       | 120        | 66       | 73       | 82       | 88       | 100      | 130        |
| 60       | 62       | 69         | 74<br>78 | 84       | 94       | 122        | 63       | 70       | 76<br>79 | 86       | 96       | 126        | 69       | 76       | 86       | 93       | 105      | 136        |
| 61       | 65       | 71         | 81       | 88       | 98       | 128        | 66       | 73       | 83       | 90       | 100      | 132        | 72       | 70<br>79 | 90       | 97       | 109      | 143        |
| 62       | 68       | 74         | 85       | 92       | 102      | 133        | 68       | 76       | 86       | 94       | 105      | 139        | 75       | 82       | 93       | 101      | 114      | 150        |
| 63       | 74       | 81         | 93       | 101      | 113      | 147        | 75       | 83       | 95       | 104      | 116      | 152        | 82       | 90       | 103      | 112      | 126      | 165        |
| 64       | 80       | 88         | 102      | 110      | 123      | 161        | 81       | 90       | 103      | 113      | 126      | 166        | 88       | 98       | 113      | 122      | 137      | 181        |
| 65       | 86       | 95         | 110      | 119      | 133      | 175        | 87       | 97       | 112      | 122      | 137      | 180        | 95       | 105      | 122      | 133      | 149      | 196        |
| 66       | 93       | 102        | 119      | 129      | 143      | 188        | 94       | 104      | 121      | 132      | 147      | 194        | 102      | 113      | 132      | 143      | 160      | 211        |
| 67       | 99       | 109        | 127      | 138      | 153      | 202        | 100      | 111      | 129      | 141      | 158      | 208        | 109      | 121      | 141      | 153      | 172      | 227        |
| 68       | 112      | 123        | 143      | 157      | 175      | 226        | 113      | 126      | 146      | 161      | 180      | 234        | 123      | 137      | 160      | 175      | 196      | 255        |
| 69       | 125      | 137        | 160      | 177      | 196      | 251        | 127      | 140      | 163      | 182      | 202      | 259        | 138      | 153      | 178      | 197      | 221      | 283        |
| 70       | 138      | 152        | 176      | 196      | 217      | 275        | 140      | 155      | 180      | 202      | 225      | 285        | 152      | 169      | 197      | 219      | 245      | 311        |
| 71       | 151      | 166        | 192      | 215      | 239      | 299        | 153      | 170      | 197      | 222      | 247      | 311        | 167      | 185      | 215      | 241      | 270      | 339        |
| 72       | 164      | 180        | 208      | 235      | 260      | 323        | 167      | 185      | 214      | 242      | 269      | 337        | 181      | 201      | 233      | 263      | 294      | 367        |
| 73       | 185      | 204        | 236      | 268      | 296      | 367        | 189      | 209      | 242      | 276      | 307      | 382        | 205      | 228      | 264      | 300      | 335      | 417        |
| 74       | 206      | 228        | 263      | 301      | 333      | 410        | 211      | 234      | 271      | 310      | 345      | 427        | 229      | 255      | 295      | 338      | 377      | 466        |
| 75       | 228      | 252        | 290      | 334      | 370      | 453        | 233      | 258      | 299      | 344      | 384      | 472        | 253      | 281      | 326      | 375      | 418      | 515        |
| 76       | 249      | 276        | 317      | 367      | 406      | 497        | 254      | 283      | 328      | 379      | 422      | 517        | 277      | 308      | 357      | 412      | 459      | 564        |
| 77       | 271      | 299        | 345      | 399      | 443      | 540        | 276      | 307      | 356      | 413      | 460      | 563        | 301      | 335      | 388      | 449      | 500      | 613        |
| 78       | 303      | 335        | 385      | 437      | 489      | 592        | 309      | 344      | 397      | 451      | 508      | 617        | 336      | 375      | 433      | 491      | 553      | 673        |
| 79       | 335      | 370        | 425      | 475      | 536      | 645        | 342      | 380      | 439      | 490      | 555      | 672        | 372      | 414      | 478      | 533      | 605      | 732        |
| 80       | 367      | 406        | 466      | 512      | 582      | 697        | 375      | 416      | 480      | 528      | 603      | 727        | 408      | 454      | 523      | 575      | 657      | 792        |
| 81       | 399      | 442        | 506      | 550      | 629      | 750        | 407      | 453      | 521      | 567      | 651      | 781        | 443      | 494      | 568      | 618      | 710      | 851        |
| 82       | 431      | 477        | 546      | 587      | 675      | 802        | 440      | 489      | 563      | 605      | 699      | 836        | 479      | 533      | 614      | 660      | 762      | 911        |
| 83       | 475      | 526        | 604      | 652      | 749      | 890        | 485      | 539      | 622      | 672      | 776      | 928        | 517      | 588      | 679      | 732      | 846      | 1,012      |
| 86       | 579      | 650        | 759      | 834      | 964      | 1209       | 592      | 667      | 783      | 862      | 1002     | 1267       | 643      | 737      | 864      | 950      | 1109     | 1400       |
| 87       | 607      | 685        | 804      | 889      | 1031     | 1321       | 621      | 704      | 830      | 921      | 1073     | 1385       | 680      | 782      | 921      | 1020     | 1194     | 1538       |
| 88       | 635      | 721        | 850      | 945      | 1098     | 1433       | 650      | 740      | 877      | 979      | 1144     | 1503       | 716      | 827      | 978      | 1089     | 1279     | 1676       |
| 89       | 662      | 756<br>701 | 895      | 1001     | 1165     | 1544       | 679      | 777      | 924      | 1038     | 1214     | 1621       | 753      | 871      | 1035     | 1159     | 1364     | 1815       |
| 90       | 690      | 791        | 941      | 1057     | 1232     | 1656       | 708      | 813      | 971      | 1097     | 1285     | 1739       | 790      | 916      | 1092     | 1228     | 1449     | 1953       |
| 91       | 718      | 827        | 986      | 1112     | 1299     | 1768       | 737      | 850      | 1018     | 1156     | 1356     | 1858       | 827      | 961      | 1149     | 1298     | 1534     | 2091       |
| 92+      | 745      | 862        | 1032     | 1168     | 1366     | 1879       | 766      | 886      | 1065     | 1214     | 1427     | 1976       | 863      | 1006     | 1206     | 1367     | 1619     | 2230       |

Coverage Enhancement Rider Benefit Period Premium Rates Preferred Rate Class, 90 Day Elimination Period Rates are per \$10 Facility Care Daily Benefit

|                     |                  | Facility Care Be<br>ne and Commu |                  | efit             |                  | acility Care B<br>ne and Comn |                  | Benefit          |                  | acility Care E<br>ne and Comr |                  | Benefit          |
|---------------------|------------------|----------------------------------|------------------|------------------|------------------|-------------------------------|------------------|------------------|------------------|-------------------------------|------------------|------------------|
| From:<br>To:<br>Age | 2 year<br>3 year | 3 year<br>4 year                 | 4 year<br>5 year | 5 year<br>8 year | 2 year<br>3 year | 3 year<br>4 year              | 4 year<br>5 year | 5 year<br>8 year | 2 year<br>3 year | 3 year<br>4 year              | 4 year<br>5 year | 5 year<br>8 year |
| 18-40               | 17               | 18                               | 18               | 22               | 17               | 19                            | 20               | 22               | 19               | 20                            | 22               | 25               |
| 41                  | 17               | 18                               | 18               | 22               | 17               | 19                            | 20               | 23               | 19               | 20                            | 22               | 25               |
| 42                  | 17               | 18                               | 18               | 22               | 17               | 19                            | 19               | 23               | 19               | 20                            | 22               | 25               |
| 43                  | 16               | 18                               | 18               | 22               | 17               | 19                            | 18               | 22               | 19               | 20                            | 21               | 24               |
| 44                  | 16               | 18                               | 17               | 21               | 16               | 18                            | 18               | 21               | 19               | 19                            | 20               | 24               |
| 45                  | 16               | 17                               | 16               | 20               | 15               | 18                            | 17               | 21               | 18               | 18                            | 19               | 23               |
| 46                  | 16               | 16                               | 16               | 20               | 15               | 17                            | 17               | 20               | 17               | 18                            | 18               | 23               |
| 47                  | 16               | 15                               | 15               | 19               | 15               | 16                            | 16               | 19               | 17               | 17                            | 17               | 23               |
| 48                  | 16               | 15                               | 15               | 19               | 15               | 16                            | 16               | 20               | 17               | 18                            | 17               | 23               |
| 49                  | 16               | 16                               | 16               | 19               | 15               | 16                            | 16               | 20               | 17               | 18                            | 17               | 23               |
| 50                  | 16               | 16                               | 16               | 19               | 15               | 16                            | 17               | 20               | 17               | 18                            | 17               | 23               |
| 51                  | 16               | 17                               | 16               | 19               | 15               | 16                            | 17               | 21               | 17               | 19                            | 17               | 23               |
| 52                  | 16               | 17                               | 16               | 19               | 15               | 16                            | 17               | 21               | 17               | 19                            | 17               | 23               |
| 53                  | 16               | 17                               | 16               | 19               | 15               | 16                            | 16               | 21               | 17               | 19                            | 17               | 23               |
| 54                  | 15               | 16                               | 15               | 19               | 15               | 16                            | 16               | 20               | 17               | 18                            | 17               | 23               |
| 55                  | 15               | 16                               | 15               | 19               | 15               | 16                            | 16               | 20               | 16               | 18                            | 16               | 23               |
| 56                  | 14               | 15                               | 15               | 19               | 14               | 16                            | 15               | 19               | 16               | 17                            | 16               | 22               |
| 57                  | 14               | 15                               | 14               | 19               | 14               | 16                            | 15               | 19               | 16               | 17                            | 15               | 21               |
| 58                  | 13               | 15                               | 14               | 18               | 13               | 16                            | 14               | 18               | 15               | 17                            | 15               | 21               |
| 59                  | 12               | 15                               | 13               | 17               | 13               | 16                            | 14               | 18               | 14               | 17                            | 15               | 20               |
| 60                  | 12               | 15                               | 13               | 17               | 12               | 15                            | 14               | 17               | 13               | 16                            | 14               | 20               |
| 61                  | 11               | 15                               | 12               | 16               | 12               | 15                            | 13               | 17               | 13               | 16                            | 14               | 19               |
| 62                  | 11               | 15                               | 13               | 16<br>17         | 12<br>12         | 15                            | 13               | 17<br>17         | 12               | 16                            | 14               | 19               |
| 63<br>64            | 11<br>12         | 16<br>18                         | 13<br>14         | 18               | 13               | 16<br>18                      | 14<br>15         | 17               | 13<br>14         | 18<br>20                      | 14<br>15         | 20<br>21         |
| 65                  | 13               | 20                               | 15               | 20               | 14               | 20                            | 16               | 20               | 15               | 20                            | 16               | 23               |
| 66                  | 14               | 22                               | 16               | 21               | 15               | 20                            | 17               | 22               | 16               | 24                            | 18               | 23               |
| 67                  | 15               | 24                               | 17               | 22               | 16               | 24                            | 18               | 23               | 17               | 27                            | 19               | 26               |
| 68                  | 17               | 26                               | 21               | 25               | 18               | 27                            | 22               | 26               | 19               | 30                            | 23               | 29               |
| 69                  | 18               | 29                               | 25               | 28               | 20               | 30                            | 26               | 30               | 22               | 33                            | 28               | 33               |
| 70                  | 20               | 32                               | 29               | 31               | 22               | 32                            | 30               | 33               | 24               | 36                            | 32               | 36               |
| 71                  | 22               | 34                               | 33               | 33               | 24               | 35                            | 34               | 36               | 26               | 39                            | 37               | 40               |
| 72                  | 24               | 37                               | 37               | 36               | 26               | 38                            | 38               | 39               | 29               | 42                            | 41               | 43               |
| 73                  | 28               | 41                               | 43               | 41               | 29               | 43                            | 45               | 44               | 33               | 47                            | 49               | 49               |
| 74                  | 31               | 46                               | 50               | 47               | 33               | 48                            | 52               | 50               | 37               | 53                            | 56               | 55               |
| 75                  | 35               | 50                               | 57               | 52               | 37               | 53                            | 59               | 56               | 41               | 58                            | 64               | 61               |
| 76                  | 38               | 55                               | 64               | 57               | 40               | 58                            | 66               | 61               | 45               | 64                            | 72               | 67               |
| 77                  | 42               | 60                               | 71               | 62               | 44               | 63                            | 74               | 67               | 49               | 69                            | 79               | 73               |
| 78                  | 47               | 66                               | 70               | 73               | 49               | 70                            | 73               | 78               | 54               | 76                            | 79               | 85               |
| 79                  | 51               | 73                               | 69               | 84               | 54               | 77                            | 72               | 89               | 60               | 84                            | 78               | 97               |
| 80                  | 56               | 79                               | 69               | 95               | 59               | 84                            | 71               | 100              | 66               | 91                            | 77               | 109              |
| 81                  | 61               | 86                               | 68               | 105              | 65               | 90                            | 70               | 112              | 71               | 98                            | 76               | 121              |
| 84                  | 80               | 116                              | 86               | 143              | 85               | 123                           | 89               | 152              | 105              | 134                           | 97               | 166              |
| 85                  | 89               | 128                              | 98               | 157              | 94               | 135                           | 103              | 167              | 115              | 148                           | 112              | 185              |
| 86<br>87            | 98<br>107        | 140<br>152                       | 111<br>123       | 170              | 103<br>112       | 147<br>159                    | 117<br>130       | 182<br>196       | 125<br>134       | 162<br>177                    | 127<br>142       | 204<br>223       |
| 88                  | 107<br>116       | 164                              | 136              | 184<br>198       | 121              | 172                           | 144              | 211              | 134              | 177                           | 158              | 223<br>242       |
| 89                  | 125              | 175                              | 148              | 212              | 130              | 184                           | 158              | 226              | 154              | 205                           | 173              | 261              |
| 90                  | 134              | 187                              | 160              | 226              | 139              | 196                           | 172              | 240              | 164              | 203                           | 188              | 280              |
| 91                  | 143              | 199                              | 173              | 240              | 148              | 208                           | 186              | 255              | 174              | 234                           | 203              | 298              |
| 92+                 | 152              | 211                              | 185              | 253              | 157              | 221                           | 200              | 270              | 183              | 249                           | 218              | 317              |
|                     |                  |                                  |                  |                  |                  |                               |                  |                  |                  |                               |                  |                  |

#### Coverage Enhancement Rider Elimination Period Factors Preferred Rate Class

| From: | 30 days | 60 days | 90 days | 180 days | 365 days |
|-------|---------|---------|---------|----------|----------|
| To:   | 7 days  | 30 days | 60 days | 90 days  | 180 days |
| Age   | , dayo  | oo aayo | oo aayo | oo aayo  | .oo aayo |
| 18-40 | 1.50    | 1.49    | 1.47    | 1.51     | 1.53     |
| 41    | 1.50    | 1.49    | 1.47    | 1.51     | 1.53     |
| 42    | 1.50    | 1.49    | 1.47    | 1.51     | 1.53     |
| 43    | 1.48    | 1.46    | 1.45    | 1.49     | 1.51     |
| 44    | 1.45    | 1.44    | 1.43    | 1.47     | 1.49     |
| 45    | 1.43    | 1.42    | 1.40    | 1.44     | 1.46     |
| 46    | 1.41    | 1.40    | 1.38    | 1.42     | 1.44     |
| 47    | 1.39    | 1.38    | 1.36    | 1.40     | 1.42     |
| 48    | 1.39    | 1.38    | 1.36    | 1.40     | 1.42     |
| 49    | 1.39    | 1.38    | 1.36    | 1.40     | 1.42     |
| 50    | 1.39    | 1.38    | 1.36    | 1.40     | 1.42     |
| 51    | 1.39    | 1.38    | 1.36    | 1.40     | 1.42     |
| 52    | 1.39    | 1.38    | 1.36    | 1.40     | 1.42     |
| 53    | 1.37    | 1.35    | 1.34    | 1.38     | 1.40     |
| 54    | 1.34    | 1.33    | 1.32    | 1.36     | 1.37     |
| 55    | 1.32    | 1.31    | 1.30    | 1.33     | 1.35     |
| 56    | 1.30    | 1.29    | 1.27    | 1.31     | 1.33     |
| 57    | 1.28    | 1.27    | 1.25    | 1.29     | 1.31     |
| 58    | 1.26    | 1.25    | 1.23    | 1.27     | 1.28     |
| 59    | 1.23    | 1.22    | 1.21    | 1.24     | 1.26     |
| 60    | 1.21    | 1.20    | 1.19    | 1.22     | 1.24     |
| 61    | 1.19    | 1.18    | 1.17    | 1.20     | 1.22     |
| 62    | 1.17    | 1.16    | 1.14    | 1.18     | 1.19     |
| 63    | 1.17    | 1.16    | 1.14    | 1.18     | 1.19     |
| 64    | 1.16    | 1.15    | 1.14    | 1.17     | 1.19     |
| 65    | 1.16    | 1.15    | 1.14    | 1.17     | 1.19     |
| 66    | 1.16    | 1.15    | 1.14    | 1.17     | 1.18     |
| 67    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 68    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 69    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 70    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 71    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 72    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 73    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 74    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 75    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 76    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 77    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 78    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 79    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 80    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 81    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 82    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 83    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 86    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 87    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 88    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 89    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 90    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 91    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 92+   | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
|       |         |         |         |          |          |

Base Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit
Daily Benefit range from \$50 - \$99

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age      | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   |
|----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| 18-40    | 40         | 43         | 47         | 50         | 55         | 64         | 41         | 45         | 49         | 51         | 57         | 67         | 46         | 51         | 53         | 57         | 62         | 74         |
| 41       | 40         | 43         | 47         | 50         | 55         | 64         | 41         | 45         | 49         | 52         | 58         | 67         | 46         | 51         | 53         | 57         | 63         | 74         |
| 42       | 40         | 43         | 48         | 51         | 56         | 65         | 41         | 45         | 50         | 52         | 58         | 68         | 46         | 51         | 54         | 58         | 63         | 75         |
| 43       | 41         | 45         | 49         | 52         | 57         | 67         | 42         | 46         | 51         | 53         | 59         | 69         | 47         | 52         | 55         | 59         | 65         | 76         |
| 44       | 42         | 46         | 50         | 53         | 58         | 68         | 43         | 47         | 52         | 54         | 60         | 71         | 48         | 53         | 56         | 60         | 66         | 78         |
| 45       | 43         | 48         | 51         | 54         | 59         | 69         | 44         | 48         | 53         | 55         | 61         | 72         | 49         | 54         | 57         | 61         | 67         | 79         |
| 46       | 44         | 49         | 52         | 55         | 60         | 71         | 45         | 49         | 54         | 56         | 62         | 74         | 50         | 55         | 59         | 62         | 68         | 80         |
| 47       | 45         | 51         | 53         | 56         | 61         | 72         | 47         | 50         | 55         | 57         | 63         | 75         | 51         | 57         | 60         | 63         | 70         | 82         |
| 48       | 46         | 51         | 54         | 57         | 62         | 74         | 47         | 51         | 56         | 58         | 63         | 77         | 52         | 57         | 61         | 64         | 70         | 84         |
| 49       | 46         | 52         | 55         | 58         | 63         | 76         | 48         | 52         | 56         | 59         | 64         | 78         | 52         | 57         | 61         | 64         | 71         | 85         |
| 50       | 47         | 52         | 55         | 58         | 63         | 78         | 48         | 53         | 57         | 60         | 65         | 80         | 53         | 58         | 62         | 65         | 72         | 87         |
| 51       | 48         | 53         | 56         | 59         | 64         | 79         | 49         | 54         | 57         | 60         | 66         | 82         | 54         | 58         | 63         | 65         | 73         | 89         |
| 52       | 49         | 54         | 57         | 60         | 65         | 81         | 50         | 54         | 58         | 61         | 67         | 83         | 55         | 58         | 64         | 66         | 74         | 91         |
| 53       | 50         | 55         | 60         | 63         | 68         | 85         | 51         | 56         | 61         | 64         | 70         | 87         | 57         | 61         | 66         | 69         | 77         | 95         |
| 54       | 52         | 57         | 62         | 66         | 72         | 89         | 53         | 58         | 63         | 67         | 74         | 91         | 58         | 63         | 69         | 72         | 81         | 99         |
| 55       | 54         | 59         | 64         | 68         | 75         | 94         | 55         | 60         | 66         | 70         | 77         | 95         | 60         | 65         | 72         | 75         | 85         | 104        |
| 56       | 56         | 61         | 67         | 71         | 79         | 98         | 57         | 62         | 68         | 73         | 80         | 100        | 62         | 67         | 74         | 79         | 88         | 108        |
| 57       | 58         | 63         | 69         | 74         | 82         | 102        | 58         | 63         | 71         | 76         | 84         | 104        | 64         | 70         | 77         | 82         | 92         | 112        |
| 58       | 62         | 67         | 75         | 80         | 89         | 110        | 63         | 68         | 77         | 82         | 91         | 113        | 69         | 75         | 84         | 89         | 99         | 122        |
| 59       | 67         | 72<br>70   | 81         | 86         | 96         | 119        | 67         | 73         | 83         | 89         | 98         | 122        | 74         | 80         | 90         | 95         | 107        | 132        |
| 60       | 71         | 76         | 87         | 92         | 102        | 128        | 72         | 78         | 88         | 95         | 105        | 132        | 79         | 85         | 97         | 102        | 114        | 143        |
| 61       | 76         | 81         | 92         | 98         | 109        | 136        | 76         | 83         | 94         | 101        | 112        | 141        | 84         | 90         | 103        | 109        | 122        | 153        |
| 62       | 80         | 86         | 98         | 105        | 116        | 145        | 81         | 87         | 100        | 108        | 119        | 150        | 89         | 95         | 109        | 116        | 129        | 163        |
| 63       | 88         | 94         | 108        | 116        | 128        | 160        | 89         | 96         | 110<br>119 | 119<br>131 | 132        | 166        | 97         | 104        | 120        | 129        | 143<br>157 | 180        |
| 64       | 95         | 103        | 117        | 127        | 140        | 175        | 96         | 105        |            |            | 145        | 181        | 105        | 114        | 130        | 141        |            | 197        |
| 65       | 103        | 111        | 126        | 139        | 152        | 191        | 104        | 113        | 129        | 142        | 159        | 197        | 114        | 123        | 141        | 154        | 170        | 214        |
| 66       | 111        | 120        | 136        | 150        | 165        | 206        | 112        | 122        | 138        | 154        | 172<br>185 | 212<br>228 | 122        | 133        | 151        | 167        | 184        | 231<br>248 |
| 67       | 118        | 128        | 145        | 161        | 177        | 221        | 120        | 131        | 148        | 165        |            | 257        | 130        | 142        | 162        | 180        | 198        |            |
| 68<br>69 | 135<br>151 | 145<br>163 | 164<br>182 | 184<br>207 | 202<br>227 | 249<br>277 | 137<br>153 | 149<br>166 | 168<br>187 | 189<br>213 | 211<br>236 | 287        | 148<br>167 | 162<br>181 | 183<br>204 | 205<br>231 | 227<br>255 | 281<br>313 |
| 70       | 167        | 180        | 201        | 230        | 252        | 305        | 170        | 184        | 207        | 236        | 262        | 316        | 185        | 201        | 204        | 257        | 284        | 345        |
| 71       | 183        | 197        | 219        | 252        | 277        | 333        | 186        | 202        | 227        | 260        | 287        | 346        | 203        | 220        | 246        | 283        | 313        | 377        |
| 72       | 199        | 214        | 238        | 275        | 302        | 360        | 203        | 220        | 247        | 284        | 313        | 375        | 203        | 239        | 267        | 309        | 342        | 409        |
| 73       | 226        | 243        | 271        | 314        | 344        | 409        | 230        | 250        | 280        | 324        | 357        | 426        | 251        | 272        | 302        | 352        | 390        | 464        |
| 74       | 253        | 272        | 303        | 352        | 387        | 457        | 258        | 279        | 314        | 363        | 401        | 476        | 281        | 304        | 337        | 395        | 438        | 519        |
| 75       | 280        | 301        | 336        | 391        | 430        | 505        | 286        | 309        | 347        | 403        | 446        | 526        | 312        | 337        | 373        | 439        | 486        | 574        |
| 76       | 307        | 330        | 369        | 429        | 472        | 553        | 313        | 339        | 381        | 443        | 490        | 577        | 342        | 369        | 408        | 482        | 533        | 628        |
| 77       | 334        | 359        | 401        | 468        | 515        | 602        | 341        | 369        | 414        | 483        | 534        | 627        | 372        | 402        | 443        | 526        | 581        | 683        |
| 78       | 376        | 403        | 446        | 511        | 564        | 660        | 384        | 413        | 460        | 527        | 585        | 688        | 419        | 450        | 495        | 574        | 642        | 749        |
| 79       | 419        | 446        | 491        | 554        | 614        | 718        | 427        | 458        | 506        | 571        | 636        | 749        | 466        | 499        | 546        | 622        | 703        | 816        |
| 80       | 461        | 490        | 535        | 597        | 663        | 777        | 471        | 502        | 552        | 615        | 687        | 810        | 513        | 548        | 598        | 670        | 764        | 882        |
| 81       | 504        | 533        | 580        | 640        | 712        | 835        | 514        | 547        | 597        | 659        | 738        | 870        | 560        | 596        | 650        | 719        | 825        | 948        |
| 82       | 547        | 577        | 624        | 682        | 762        | 894        | 558        | 591        | 643        | 703        | 789        | 931        | 607        | 645        | 701        | 767        | 886        | 1,015      |
| 83       | 601        | 636        | 690        | 757        | 845        | 991        | 614        | 652        | 711        | 780        | 876        | 1,035      | 655        | 711        | 776        | 850        | 983        | 1,127      |
| 84       | 663        | 700        | 763        | 839        | 937        | 1,099      | 677        | 719        | 787        | 865        | 971        | 1,148      | 721        | 783        | 857        | 943        | 1,091      | 1,252      |
| 97       | 000        | , 00       | , 55       | 000        | 557        | 1,000      | 0,,        | , , , ,    | , , ,      | 000        | 0, 1       | 1,140      | ,          | , 00       | 007        | 0-10       | 1,001      | 1,202      |

Base Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit
Daily Benefit range from \$100 - \$500

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age   | 2 year | 3 year | 4 year | 5 year | 8 year | Lifetime | 2 year | 3 year | 4 year | 5 year | 8 year | Lifetime | 2 year | 3 year | 4 year | 5 year | 8 year | Lifetime |
|-------|--------|--------|--------|--------|--------|----------|--------|--------|--------|--------|--------|----------|--------|--------|--------|--------|--------|----------|
| 18-40 | 32     | 36     | 40     | 42     | 47     | 57       | 33     | 37     | 41     | 44     | 49     | 60       | 37     | 41     | 45     | 49     | 54     | 66       |
| 41    | 32     | 36     | 40     | 42     | 47     | 57       | 33     | 37     | 41     | 45     | 50     | 60       | 37     | 41     | 45     | 49     | 55     | 66       |
| 42    | 32     | 36     | 41     | 43     | 48     | 58       | 33     | 37     | 42     | 45     | 50     | 61       | 37     | 42     | 46     | 50     | 55     | 67       |
| 43    | 33     | 37     | 42     | 44     | 49     | 60       | 34     | 38     | 43     | 45     | 51     | 62       | 38     | 43     | 47     | 50     | 56     | 68       |
| 44    | 34     | 38     | 42     | 45     | 50     | 61       | 35     | 39     | 44     | 46     | 51     | 63       | 39     | 44     | 48     | 51     | 57     | 69       |
| 45    | 35     | 39     | 43     | 46     | 51     | 62       | 36     | 39     | 45     | 47     | 52     | 64       | 40     | 44     | 48     | 52     | 58     | 71       |
| 46    | 36     | 40     | 44     | 47     | 52     | 63       | 37     | 40     | 45     | 48     | 53     | 66       | 40     | 45     | 49     | 53     | 59     | 72       |
| 47    | 36     | 41     | 44     | 47     | 53     | 64       | 38     | 41     | 46     | 49     | 54     | 67       | 41     | 46     | 50     | 53     | 60     | 73       |
| 48    | 37     | 42     | 45     | 48     | 54     | 66       | 38     | 42     | 47     | 49     | 55     | 68       | 42     | 47     | 51     | 54     | 61     | 75       |
| 49    | 37     | 43     | 46     | 49     | 54     | 68       | 38     | 43     | 47     | 50     | 56     | 70       | 42     | 47     | 52     | 55     | 62     | 77       |
| 50    | 38     | 43     | 47     | 50     | 55     | 70       | 39     | 44     | 48     | 51     | 56     | 72       | 43     | 48     | 52     | 55     | 62     | 78       |
| 51    | 39     | 44     | 47     | 51     | 56     | 71       | 39     | 45     | 48     | 51     | 57     | 73       | 43     | 48     | 53     | 56     | 63     | 80       |
| 52    | 39     | 45     | 48     | 51     | 56     | 73       | 40     | 45     | 49     | 52     | 58     | 75       | 44     | 49     | 54     | 57     | 64     | 82       |
| 53    | 41     | 46     | 50     | 54     | 59     | 77       | 41     | 47     | 51     | 54     | 61     | 78       | 45     | 50     | 56     | 59     | 67     | 85       |
| 54    | 42     | 47     | 52     | 56     | 62     | 80       | 43     | 48     | 53     | 57     | 63     | 82       | 47     | 52     | 58     | 61     | 70     | 89       |
| 55    | 43     | 49     | 54     | 58     | 64     | 84       | 44     | 50     | 55     | 59     | 66     | 85       | 48     | 54     | 60     | 64     | 72     | 93       |
| 56    | 45     | 50     | 56     | 60     | 67     | 87       | 45     | 51     | 57     | 61     | 68     | 89       | 50     | 56     | 62     | 66     | 75     | 96       |
| 57    | 46     | 52     | 57     | 62     | 69     | 91       | 47     | 52     | 59     | 64     | 71     | 93       | 51     | 58     | 64     | 69     | 78     | 100      |
| 58    | 50     | 55     | 62     | 67     | 75     | 98       | 50     | 56     | 64     | 69     | 77     | 100      | 55     | 62     | 69     | 74     | 84     | 108      |
| 59    | 53     | 59     | 66     | 72     | 80     | 105      | 54     | 60     | 68     | 74     | 82     | 108      | 59     | 66     | 74     | 79     | 90     | 117      |
| 60    | 57     | 63     | 71     | 77     | 86     | 112      | 57     | 64     | 72     | 79     | 88     | 115      | 63     | 70     | 79     | 85     | 96     | 125      |
| 61    | 60     | 66     | 75     | 82     | 91     | 119      | 61     | 68     | 77     | 84     | 93     | 123      | 67     | 74     | 84     | 90     | 102    | 133      |
| 62    | 64     | 70     | 80     | 86     | 97     | 126      | 64     | 72     | 81     | 89     | 99     | 131      | 71     | 78     | 89     | 96     | 108    | 142      |
| 63    | 70     | 77     | 88     | 95     | 106    | 139      | 70     | 78     | 90     | 98     | 110    | 144      | 77     | 85     | 98     | 106    | 119    | 156      |
| 64    | 76     | 83     | 96     | 104    | 116    | 152      | 76     | 85     | 98     | 107    | 121    | 158      | 84     | 93     | 107    | 116    | 130    | 171      |
| 65    | 82     | 90     | 105    | 113    | 126    | 166      | 83     | 92     | 106    | 116    | 131    | 171      | 90     | 100    | 116    | 126    | 141    | 186      |
| 66    | 88     | 97     | 113    | 122    | 136    | 179      | 89     | 99     | 115    | 125    | 142    | 185      | 97     | 107    | 126    | 136    | 152    | 201      |
| 67    | 94     | 103    | 121    | 131    | 146    | 192      | 95     | 106    | 123    | 134    | 153    | 198      | 103    | 115    | 135    | 146    | 164    | 216      |
| 68    | 106    | 117    | 136    | 150    | 166    | 216      | 108    | 120    | 140    | 154    | 174    | 223      | 117    | 130    | 152    | 167    | 187    | 243      |
| 69    | 119    | 131    | 152    | 168    | 187    | 239      | 121    | 134    | 156    | 173    | 194    | 247      | 131    | 146    | 170    | 188    | 210    | 270      |
| 70    | 131    | 144    | 167    | 187    | 207    | 262      | 133    | 148    | 173    | 192    | 215    | 272      | 145    | 161    | 187    | 209    | 234    | 296      |
| 71    | 143    | 158    | 183    | 205    | 227    | 285      | 146    | 162    | 189    | 211    | 236    | 296      | 159    | 176    | 205    | 230    | 257    | 323      |
| 72    | 155    | 172    | 198    | 224    | 247    | 308      | 159    | 176    | 206    | 231    | 257    | 321      | 173    | 192    | 222    | 251    | 280    | 350      |
| 73    | 176    | 194    | 226    | 255    | 282    | 349      | 179    | 199    | 234    | 263    | 293    | 364      | 195    | 217    | 252    | 286    | 319    | 397      |
| 74    | 196    | 217    | 253    | 286    | 317    | 390      | 200    | 222    | 262    | 296    | 329    | 407      | 218    | 242    | 281    | 321    | 359    | 443      |
| 75    | 216    | 240    | 280    | 318    | 352    | 432      | 221    | 246    | 290    | 328    | 365    | 450      | 241    | 268    | 311    | 357    | 398    | 490      |
| 76    | 236    | 262    | 307    | 349    | 387    | 473      | 241    | 269    | 317    | 361    | 402    | 493      | 264    | 293    | 340    | 392    | 437    | 537      |
| 77    | 257    | 285    | 334    | 380    | 422    | 514      | 262    | 293    | 345    | 393    | 438    | 536      | 286    | 319    | 369    | 427    | 477    | 584      |
| 78    | 288    | 319    | 372    | 416    | 462    | 564      | 293    | 327    | 383    | 430    | 480    | 588      | 320    | 357    | 412    | 468    | 526    | 640      |
| 79    | 318    | 353    | 409    | 452    | 503    | 614      | 325    | 362    | 422    | 466    | 521    | 640      | 354    | 395    | 455    | 508    | 576    | 697      |
| 80    | 349    | 387    | 446    | 488    | 543    | 664      | 356    | 396    | 460    | 503    | 563    | 692      | 388    | 432    | 498    | 548    | 626    | 754      |
| 81    | 380    | 420    | 483    | 524    | 584    | 714      | 388    | 431    | 498    | 540    | 605    | 744      | 422    | 470    | 541    | 588    | 676    | 810      |
| 82    | 411    | 454    | 520    | 559    | 625    | 764      | 419    | 466    | 536    | 576    | 647    | 796      | 456    | 508    | 584    | 629    | 726    | 867      |
| 83    | 452    | 501    | 575    | 621    | 693    | 847      | 462    | 513    | 593    | 640    | 718    | 884      | 493    | 560    | 646    | 697    | 805    | 963      |
| 84    | 499    | 551    | 636    | 688    | 768    | 939      | 509    | 566    | 656    | 709    | 796    | 981      | 542    | 616    | 714    | 773    | 894    | 1,070    |
| 3.1   |        |        |        |        |        |          |        |        |        |        |        | ,        |        |        |        |        |        | .,       |

#### Generation Protector 2 (Proposed)

#### **Rider Premium Rates and Premium Factors**

| Factors applied to b | pase premium rat | es           |              |              |                  |              |              |              |                |                |              |                    |                        |                   |
|----------------------|------------------|--------------|--------------|--------------|------------------|--------------|--------------|--------------|----------------|----------------|--------------|--------------------|------------------------|-------------------|
| Rate Increase        | 80%              | 70%          | 50%          | 50%          | 50%<br><b>5%</b> | 0%           | 0%           | 0%           | 0%             | 0%<br>Full     | 0%           |                    |                        |                   |
|                      | 5%               | 4%           | 3%           | 5%           | Compound         |              |              |              | Return of      | Return of      |              |                    |                        |                   |
|                      | Compound         | Compound     | Compound     | Simple       | COLA             |              | Paid-up      |              | Premium        | Premium        | Spousal      | Benefit            | Restoration            |                   |
| Age                  | COLA             | COLA         | COLA         | COLA         | w/ 2x Cap        | 10-pay       | at age 65    | SBP          | Upon Death     | Upon Death     | Survivorship | Period             | of Benefits            |                   |
| 18-40                | 4.79             | 3.84         | 2.78         | 2.69         | 2.40             | 3.72         | 1.75         | 1.20         | 1.30           | 1.49           | 1.12         | 2 year             | 1.08                   |                   |
| 41                   | 4.79             | 3.84         | 2.78         | 2.69         | 2.40             | 3.72         | 1.75         | 1.20         | 1.30           | 1.49           | 1.12         | 3 year             | 1.05                   |                   |
| 42<br>43             | 4.79<br>4.77     | 3.84<br>3.83 | 2.78<br>2.78 | 2.69<br>2.69 | 2.40<br>2.40     | 3.72<br>3.63 | 1.75<br>1.78 | 1.20<br>1.20 | 1.30<br>1.32   | 1.49<br>1.51   | 1.12<br>1.12 | 4 year<br>5 year   | 1.04<br>1.04           |                   |
| 43                   | 4.77             | 3.81         | 2.78         | 2.69         | 2.40             | 3.53         | 1.80         | 1.20         | 1.34           | 1.53           | 1.12         | 8 year             | 1.04                   |                   |
| 45                   | 4.73             | 3.81         | 2.78         | 2.70         | 2.40             | 3.44         | 1.83         | 1.21         | 1.35           | 1.56           | 1.12         | Lifetime           | N / A                  |                   |
| 46                   | 4.72             | 3.79         | 2.78         | 2.70         | 2.40             | 3.34         | 1.85         | 1.21         | 1.37           | 1.58           | 1.12         |                    |                        |                   |
| 47                   | 4.70             | 3.77         | 2.78         | 2.70         | 2.40             | 3.25         | 1.88         | 1.21         | 1.39           | 1.60           | 1.12         |                    | Spousal                | Spousal           |
| 48                   | 4.66             | 3.76         | 2.78         | 2.69         | 2.40             | 3.18         | 1.95         | 1.21         | 1.41           | 1.62           | 1.12         |                    | Shared Care            | Shared Care       |
| 49                   | 4.63             | 3.74         | 2.78         | 2.69         | 2.40             | 3.10         | 2.03         | 1.22         | 1.43           | 1.65           | 1.12         | Benefit            | (with no               | (with 1 yr        |
| 50<br>51             | 4.61<br>4.57     | 3.74<br>3.72 | 2.76<br>2.76 | 2.67<br>2.67 | 2.40<br>2.40     | 3.03<br>2.95 | 2.10<br>2.18 | 1.22<br>1.22 | 1.45<br>1.47   | 1.67<br>1.70   | 1.12<br>1.12 | Period             | residual)<br>1.21      | residual)<br>1.12 |
| 52                   | 4.54             | 3.72         | 2.76         | 2.66         | 2.40             | 2.88         | 2.16         | 1.22         | 1.47           | 1.70           | 1.12         | 2 year<br>3 year   | 1.14                   | 1.12              |
| 53                   | 4.43             | 3.64         | 2.72         | 2.64         | 2.40             | 2.81         | 2.39         | 1.23         | 1.52           | 1.76           | 1.12         | 4 year             | 1.09                   | 1.08              |
| 54                   | 4.32             | 3.55         | 2.67         | 2.63         | 2.40             | 2.74         | 2.52         | 1.23         | 1.56           | 1.80           | 1.12         | 5 year             | 1.06                   | 1.05              |
| 55                   | 4.19             | 3.49         | 2.64         | 2.61         | 2.40             | 2.66         | -            | 1.23         | 1.59           | 1.84           | 1.12         | 8 year             | 1.02                   | 1.02              |
| 56                   | 4.09             | 3.40         | 2.60         | 2.60         | 2.40             | 2.59         | -            | 1.23         | 1.62           | 1.89           | 1.11         | Lifetime           | N / A                  | N/A               |
| 57                   | 3.98             | 3.33         | 2.55         | 2.58         | 2.40             | 2.52         | -            | 1.24         | 1.66           | 1.93           | 1.11         |                    |                        |                   |
| 58                   | 3.92             | 3.30         | 2.52         | 2.57         | 2.40             | 2.45         | -            | 1.24         | 1.69           | 1.97           | 1.11         |                    | enefits and Shared Car |                   |
| 59<br>60             | 3.87<br>3.83     | 3.25<br>3.21 | 2.49<br>2.46 | 2.55<br>2.55 | 2.39<br>2.39     | 2.37<br>2.30 | -            | 1.24<br>1.24 | 1.73<br>1.76   | 2.01<br>2.05   | 1.11<br>1.11 | not available with | Lifetime benefit perio | d option.         |
| 61                   | 3.78             | 3.21         | 2.46         | 2.55         | 2.39             | 2.30         | -            | 1.25         | 1.79           | 2.10           | 1.11         | HCC Monthly Be     | nofit                  | 1.06              |
| 62                   | 3.73             | 3.13         | 2.43         | 2.52         | 2.37             | 2.15         |              | 1.25         | 1.83           | 2.14           | 1.11         | Spousal Waiver     |                        | 1.03              |
| 63                   | 3.65             | 3.08         | 2.37         | 2.49         | 2.36             | 2.08         | _            | 1.25         | 1.90           | 2.23           | 1.11         | HCC Calendar D     |                        | 1.02              |
| 64                   | 3.58             | 3.03         | 2.34         | 2.46         | 2.34             | 2.02         | -            | 1.25         | 1.98           | 2.33           | 1.11         | Waiver of HCC E    |                        | 1.12              |
| 65                   | 3.49             | 2.96         | 2.31         | 2.45         | 2.34             | 1.95         | -            | 1.26         | 2.06           | 2.43           | 1.11         |                    |                        |                   |
| 66                   | 3.42             | 2.91         | 2.28         | 2.42         | 2.33             | 1.89         | -            | 1.26         | 2.14           | 2.53           | 1.10         | Monthly Indemn     | ity Benefit            |                   |
| 67                   | 3.35             | 2.86         | 2.25         | 2.39         | 2.31             | 1.82         | -            | 1.26         | 2.23           | 2.64           | 1.10         | 10%                |                        | 1.04              |
| 68<br>69             | 3.28<br>3.20     | 2.81<br>2.75 | 2.22<br>2.19 | 2.36<br>2.33 | 2.30<br>2.28     | 1.76<br>1.71 | -            | 1.26<br>1.27 | 2.36<br>2.50   | 2.81<br>3.00   | 1.10<br>1.10 | 25%<br>50%         |                        | 1.10<br>1.23      |
| 70                   | 3.20             | 2.75         | 2.19         | 2.33         | 2.26             | 1.65         |              | 1.27         | 2.65           | 3.00           | 1.10         | 100% (age < 60)    |                        | 2.57              |
| 71                   | 3.06             | 2.65         | 2.13         | 2.28         | 2.25             | 1.60         | _            | 1.27         | 2.80           | 3.40           | 1.08         | 100% (age < 60+)   |                        | 2.23              |
| 72                   | 2.99             | 2.60         | 2.10         | 2.25         | 2.24             | 1.54         | -            | 1.27         | 2.97           | 3.62           | 1.07         | , (ag)             |                        |                   |
| 73                   | 2.93             | 2.57         | 2.09         | 2.22         | 2.22             | 1.48         | -            | 1.28         | 3.54           | 4.54           | 1.06         | Elimination Peri   | od Factors             |                   |
| 74                   | 2.88             | 2.53         | 2.06         | 2.21         | 2.21             | 1.42         | -            | 1.28         | 4.23           | 5.71           | 1.05         | 7 Day              |                        | 1.30              |
| 75                   | 2.83             | 2.48         | 2.04         | 2.18         | 2.18             | 1.37         | -            | 1.28         | 5.06           | 7.21           | 1.04         | 30 Day             |                        | 1.18              |
| 76<br>77             | 2.77             | 2.45         | 2.01<br>2.00 | 2.16<br>2.13 | 2.16             | 1.31         | -            | 1.28         | 5.82           | 9.15           | 1.03         | 60 Day             |                        | 1.08              |
| 77                   | 2.72<br>2.68     | 2.41<br>2.38 | 1.98         | 2.13         | 2.15<br>2.13     | 1.25<br>1.22 |              | 1.29<br>1.29 | 6.07<br>7.28   | 11.66<br>13.99 | 1.02<br>1.02 | 90 Day<br>180 Day  |                        | 1.00<br>0.90      |
| 79                   | 2.63             | 2.35         | 1.95         | 2.12         | 2.12             | 1.19         |              | 1.29         | 8.74           | 16.79          | 1.02         | 365 Day            |                        | 0.80              |
| 80                   | 2.59             | 2.33         | 1.94         | 2.07         | 2.10             | 1.16         | _            | 1.29         | 10.48          | 20.15          | 1.02         | ooo bay            |                        | 0.00              |
| 81                   | 2.54             | 2.30         | 1.91         | 2.06         | 2.09             | 1.13         | -            | 1.30         | 10.48          | 20.15          | 1.02         | Risk Class Facto   | ors                    |                   |
| 82                   | 2.50             | 2.26         | 1.89         | 2.04         | 2.07             | 1.10         | -            | 1.30         | 10.48          | 20.15          | 1.02         | Preferred Plus     |                        | 0.85              |
| 83                   | 2.47             | 2.23         | 1.88         | 2.03         | 2.04             | 1.09         | -            | 1.30         | 10.48          | 20.15          | 1.02         | Preferred          |                        | 1.00              |
| 84                   | 2.43             | 2.21         | 1.86         | 2.01         | 2.01             | 1.08         | -            | 1.30         | 10.48          | 20.15          | 1.02         | Standard           |                        | 1.20              |
| 85                   | 2.41             | 2.19         | 1.85         | 1.98         | 2.00             | 0            | 0            | 1.30         | 10.48          | 20.15          | 1.02         | Select I           |                        | 1.50              |
| 88<br>89             | 2.32             | 2.13         | 1.80         | 1.92         | 1.94             | -            | -            | 1.30         | 10.48          | 20.15          | 1.02         | Select IV          |                        | 3.00              |
| 90                   | 2.30<br>2.27     | 2.09<br>2.07 | 1.77<br>1.76 | 1.89<br>1.86 | 1.92<br>1.89     | -            | -            | 1.30<br>1.30 | 10.48<br>10.48 | 20.15<br>20.15 | 1.02<br>1.02 | Discount Factor    | •                      |                   |
| 91                   | 2.25             | 2.04         | 1.74         | 1.85         | 1.88             | -            | -            | 1.30         | 10.48          | 20.15          | 1.02         | Married            | <u> </u>               | 0.90              |
| 92+                  | 2.21             | 2.02         | 1.73         | 1.82         | 1.85             | -            | -            | 1.30         | 10.48          | 20.15          | 1.02         | Spousal            |                        | 0.70              |
| 1                    | •                |              | -            |              |                  |              |              |              | - 1-           |                |              | Facility Care Only | / Endorsement          | 0.90              |
|                      |                  |              |              |              |                  |              |              |              |                |                |              |                    |                        |                   |

Coverage Enhancement Rider
Daily Benefit Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age      | 2 year   | 3 year     | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   |
|----------|----------|------------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|
| 18-40    | 44       | 49         | 54       | 57       | 64       | 78         | 45       | 50       | 56       | 61       | 67       | 82         | 50       | 56       | 61       | 67       | 73       | 90         |
| 41       | 44       | 49         | 54       | 57       | 64       | 78         | 45       | 50       | 56       | 61       | 68       | 82         | 50       | 56       | 61       | 67       | 75       | 90         |
| 42       | 44       | 49         | 56       | 59       | 66       | 79         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 57       | 62       | 67       | 74       | 91         |
| 43       | 44       | 50         | 56       | 59       | 66       | 80         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 57       | 63       | 67       | 75       | 91         |
| 44       | 45       | 50         | 56       | 59       | 66       | 80         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 58       | 63       | 67       | 75       | 91         |
| 45       | 45       | 51         | 56       | 59       | 66       | 80         | 47       | 51       | 57       | 61       | 68       | 84         | 51       | 58       | 63       | 67       | 75       | 92         |
| 46       | 45       | 51         | 56       | 60       | 66       | 81         | 47       | 51       | 57       | 61       | 68       | 84         | 52       | 58       | 63       | 67       | 75       | 92         |
| 47       | 46       | 52         | 56       | 60       | 67       | 81         | 47       | 52       | 57       | 61       | 68       | 84         | 52       | 58       | 63       | 67       | 76       | 92         |
| 48       | 47       | 53         | 57       | 61       | 67       | 83         | 48       | 53       | 58       | 62       | 69       | 86         | 53       | 59       | 64       | 68       | 77       | 94         |
| 49       | 48       | 54         | 58       | 62       | 68       | 86         | 49       | 54       | 59       | 63       | 70       | 88         | 53       | 59       | 65       | 69       | 78       | 96         |
| 50       | 49       | 55         | 59       | 63       | 69       | 88         | 50       | 55       | 60       | 64       | 71       | 90         | 54       | 60       | 66       | 70       | 79       | 99         |
| 51       | 50       | 55         | 61       | 64       | 70       | 90         | 51       | 56       | 61       | 65       | 72       | 92         | 55       | 61       | 67       | 70       | 80       | 101        |
| 52       | 50       | 56         | 62       | 65       | 71       | 92         | 51       | 57       | 61       | 66       | 73       | 94         | 56       | 61       | 68       | 71       | 81       | 103        |
| 53       | 51       | 57         | 63       | 66       | 73       | 95         | 52       | 58       | 63       | 67       | 75       | 97         | 56       | 62       | 69       | 73       | 83       | 106        |
| 54       | 52       | 58         | 64       | 68       | 75<br>77 | 97         | 53       | 59       | 64       | 69       | 77<br>70 | 100        | 57       | 63       | 70       | 75<br>76 | 85       | 108        |
| 55       | 52       | 59<br>50   | 65<br>66 | 69       | 77<br>70 | 100        | 53       | 59       | 66       | 71<br>72 | 79       | 102        | 58<br>50 | 65<br>66 | 72<br>73 | 76       | 86       | 111        |
| 56       | 53       | 59         | 66       | 71       | 79       | 103        | 54       | 60       | 67       |          | 81       | 105        | 59       | 66       | 73<br>75 | 78       | 88       | 113        |
| 57<br>58 | 54<br>57 | 60<br>63   | 67<br>70 | 72<br>76 | 81<br>85 | 105<br>111 | 55<br>57 | 61<br>64 | 69<br>72 | 74<br>78 | 82<br>87 | 107<br>114 | 59<br>62 | 67<br>70 | 75<br>78 | 80<br>84 | 90<br>95 | 116<br>123 |
| 59       | 59       | 66         | 70<br>74 | 80       | 89       | 117        | 60       | 67       | 72<br>76 | 82       | 91       | 120        | 66       | 73       | 82       | 88       | 100      | 130        |
| 60       | 62       | 69         | 74<br>78 | 84       | 94       | 122        | 63       | 70       | 76<br>79 | 86       | 96       | 126        | 69       | 76       | 86       | 93       | 105      | 136        |
| 61       | 65       | 71         | 81       | 88       | 98       | 128        | 66       | 73       | 83       | 90       | 100      | 132        | 72       | 70<br>79 | 90       | 97       | 109      | 143        |
| 62       | 68       | 74         | 85       | 92       | 102      | 133        | 68       | 76       | 86       | 94       | 105      | 139        | 75       | 82       | 93       | 101      | 114      | 150        |
| 63       | 74       | 81         | 93       | 101      | 113      | 147        | 75       | 83       | 95       | 104      | 116      | 152        | 82       | 90       | 103      | 112      | 126      | 165        |
| 64       | 80       | 88         | 102      | 110      | 123      | 161        | 81       | 90       | 103      | 113      | 126      | 166        | 88       | 98       | 113      | 122      | 137      | 181        |
| 65       | 86       | 95         | 110      | 119      | 133      | 175        | 87       | 97       | 112      | 122      | 137      | 180        | 95       | 105      | 122      | 133      | 149      | 196        |
| 66       | 93       | 102        | 119      | 129      | 143      | 188        | 94       | 104      | 121      | 132      | 147      | 194        | 102      | 113      | 132      | 143      | 160      | 211        |
| 67       | 99       | 109        | 127      | 138      | 153      | 202        | 100      | 111      | 129      | 141      | 158      | 208        | 109      | 121      | 141      | 153      | 172      | 227        |
| 68       | 112      | 123        | 143      | 157      | 175      | 226        | 113      | 126      | 146      | 161      | 180      | 234        | 123      | 137      | 160      | 175      | 196      | 255        |
| 69       | 125      | 137        | 160      | 177      | 196      | 251        | 127      | 140      | 163      | 182      | 202      | 259        | 138      | 153      | 178      | 197      | 221      | 283        |
| 70       | 138      | 152        | 176      | 196      | 217      | 275        | 140      | 155      | 180      | 202      | 225      | 285        | 152      | 169      | 197      | 219      | 245      | 311        |
| 71       | 151      | 166        | 192      | 215      | 239      | 299        | 153      | 170      | 197      | 222      | 247      | 311        | 167      | 185      | 215      | 241      | 270      | 339        |
| 72       | 164      | 180        | 208      | 235      | 260      | 323        | 167      | 185      | 214      | 242      | 269      | 337        | 181      | 201      | 233      | 263      | 294      | 367        |
| 73       | 185      | 204        | 236      | 268      | 296      | 367        | 189      | 209      | 242      | 276      | 307      | 382        | 205      | 228      | 264      | 300      | 335      | 417        |
| 74       | 206      | 228        | 263      | 301      | 333      | 410        | 211      | 234      | 271      | 310      | 345      | 427        | 229      | 255      | 295      | 338      | 377      | 466        |
| 75       | 228      | 252        | 290      | 334      | 370      | 453        | 233      | 258      | 299      | 344      | 384      | 472        | 253      | 281      | 326      | 375      | 418      | 515        |
| 76       | 249      | 276        | 317      | 367      | 406      | 497        | 254      | 283      | 328      | 379      | 422      | 517        | 277      | 308      | 357      | 412      | 459      | 564        |
| 77       | 271      | 299        | 345      | 399      | 443      | 540        | 276      | 307      | 356      | 413      | 460      | 563        | 301      | 335      | 388      | 449      | 500      | 613        |
| 78       | 303      | 335        | 385      | 437      | 489      | 592        | 309      | 344      | 397      | 451      | 508      | 617        | 336      | 375      | 433      | 491      | 553      | 673        |
| 79       | 335      | 370        | 425      | 475      | 536      | 645        | 342      | 380      | 439      | 490      | 555      | 672        | 372      | 414      | 478      | 533      | 605      | 732        |
| 80       | 367      | 406        | 466      | 512      | 582      | 697        | 375      | 416      | 480      | 528      | 603      | 727        | 408      | 454      | 523      | 575      | 657      | 792        |
| 81       | 399      | 442        | 506      | 550      | 629      | 750        | 407      | 453      | 521      | 567      | 651      | 781        | 443      | 494      | 568      | 618      | 710      | 851        |
| 82       | 431      | 477        | 546      | 587      | 675      | 802        | 440      | 489      | 563      | 605      | 699      | 836        | 479      | 533      | 614      | 660      | 762      | 911        |
| 83       | 475      | 526        | 604      | 652      | 749      | 890        | 485      | 539      | 622      | 672      | 776      | 928        | 517      | 588      | 679      | 732      | 846      | 1,012      |
| 86       | 579      | 650        | 759      | 834      | 964      | 1209       | 592      | 667      | 783      | 862      | 1002     | 1267       | 643      | 737      | 864      | 950      | 1109     | 1400       |
| 87       | 607      | 685        | 804      | 889      | 1031     | 1321       | 621      | 704      | 830      | 921      | 1073     | 1385       | 680      | 782      | 921      | 1020     | 1194     | 1538       |
| 88       | 635      | 721        | 850      | 945      | 1098     | 1433       | 650      | 740      | 877      | 979      | 1144     | 1503       | 716      | 827      | 978      | 1089     | 1279     | 1676       |
| 89       | 662      | 756<br>701 | 895      | 1001     | 1165     | 1544       | 679      | 777      | 924      | 1038     | 1214     | 1621       | 753      | 871      | 1035     | 1159     | 1364     | 1815       |
| 90       | 690      | 791        | 941      | 1057     | 1232     | 1656       | 708      | 813      | 971      | 1097     | 1285     | 1739       | 790      | 916      | 1092     | 1228     | 1449     | 1953       |
| 91       | 718      | 827        | 986      | 1112     | 1299     | 1768       | 737      | 850      | 1018     | 1156     | 1356     | 1858       | 827      | 961      | 1149     | 1298     | 1534     | 2091       |
| 92+      | 745      | 862        | 1032     | 1168     | 1366     | 1879       | 766      | 886      | 1065     | 1214     | 1427     | 1976       | 863      | 1006     | 1206     | 1367     | 1619     | 2230       |

Coverage Enhancement Rider Benefit Period Premium Rates Preferred Rate Class, 90 Day Elimination Period Rates are per \$10 Facility Care Daily Benefit

|                     |                  | Facility Care Be |                  | efit             |                  | acility Care E<br>ne and Comr |                  | Benefit          |                  | acility Care E<br>ne and Comr |                  | Benefit          |
|---------------------|------------------|------------------|------------------|------------------|------------------|-------------------------------|------------------|------------------|------------------|-------------------------------|------------------|------------------|
| From:<br>To:<br>Age | 2 year<br>3 year | 3 year<br>4 year | 4 year<br>5 year | 5 year<br>8 year | 2 year<br>3 year | 3 year<br>4 year              | 4 year<br>5 year | 5 year<br>8 year | 2 year<br>3 year | 3 year<br>4 year              | 4 year<br>5 year | 5 year<br>8 year |
| 18-40               | 17               | 18               | 18               | 22               | 17               | 19                            | 20               | 22               | 19               | 20                            | 22               | 25               |
| 41                  | 17               | 18               | 18               | 22               | 17               | 19                            | 20               | 23               | 19               | 20                            | 22               | 25               |
| 42                  | 17               | 18               | 18               | 22               | 17               | 19                            | 19               | 23               | 19               | 20                            | 22               | 25               |
| 43                  | 16               | 18               | 18               | 22               | 17               | 19                            | 18               | 22               | 19               | 20                            | 21               | 24               |
| 44                  | 16               | 18               | 17               | 21               | 16               | 18                            | 18               | 21               | 19               | 19                            | 20               | 24               |
| 45                  | 16               | 17               | 16               | 20               | 15               | 18                            | 17               | 21               | 18               | 18                            | 19               | 23               |
| 46                  | 16               | 16               | 16               | 20               | 15               | 17                            | 17               | 20               | 17               | 18                            | 18               | 23               |
| 47                  | 16               | 15               | 15               | 19               | 15               | 16                            | 16               | 19               | 17               | 17                            | 17               | 23               |
| 48                  | 16               | 15               | 15               | 19               | 15               | 16                            | 16               | 20               | 17               | 18                            | 17               | 23               |
| 49                  | 16               | 16               | 16               | 19               | 15               | 16                            | 16               | 20               | 17               | 18                            | 17               | 23               |
| 50                  | 16               | 16               | 16               | 19               | 15               | 16                            | 17               | 20               | 17               | 18                            | 17               | 23               |
| 51                  | 16               | 17               | 16               | 19               | 15               | 16                            | 17               | 21               | 17               | 19                            | 17               | 23               |
| 52                  | 16               | 17               | 16               | 19               | 15               | 16                            | 17               | 21               | 17               | 19                            | 17               | 23               |
| 53                  | 16               | 17               | 16               | 19               | 15               | 16                            | 16               | 21               | 17               | 19                            | 17               | 23               |
| 54                  | 15               | 16               | 15               | 19               | 15               | 16                            | 16               | 20               | 17               | 18                            | 17               | 23               |
| 55                  | 15               | 16               | 15               | 19               | 15               | 16                            | 16               | 20               | 16               | 18                            | 16               | 23               |
| 56                  | 14               | 15               | 15               | 19               | 14               | 16                            | 15               | 19               | 16               | 17                            | 16               | 22               |
| 57                  | 14<br>13         | 15<br>15         | 14<br>14         | 19<br>18         | 14<br>13         | 16                            | 15<br>14         | 19<br>18         | 16<br>15         | 17<br>17                      | 15<br>15         | 21<br>21         |
| 58<br>59            | 12               | 15               | 13               | 17               | 13               | 16<br>16                      | 14               | 18               | 14               | 17                            | 15               | 20               |
| 60                  | 12               | 15               | 13               | 17               | 12               | 15                            | 14               | 17               | 13               | 16                            | 14               | 20               |
| 61                  | 11               | 15               | 12               | 16               | 12               | 15                            | 13               | 17               | 13               | 16                            | 14               | 19               |
| 62                  | 11               | 15               | 13               | 16               | 12               | 15                            | 13               | 17               | 12               | 16                            | 14               | 19               |
| 63                  | 11               | 16               | 13               | 17               | 12               | 16                            | 14               | 17               | 13               | 18                            | 14               | 20               |
| 64                  | 12               | 18               | 14               | 18               | 13               | 18                            | 15               | 19               | 14               | 20                            | 15               | 21               |
| 65                  | 13               | 20               | 15               | 20               | 14               | 20                            | 16               | 20               | 15               | 22                            | 16               | 23               |
| 66                  | 14               | 22               | 16               | 21               | 15               | 22                            | 17               | 22               | 16               | 24                            | 18               | 24               |
| 67                  | 15               | 24               | 17               | 22               | 16               | 24                            | 18               | 23               | 17               | 27                            | 19               | 26               |
| 68                  | 17               | 26               | 21               | 25               | 18               | 27                            | 22               | 26               | 19               | 30                            | 23               | 29               |
| 69                  | 18               | 29               | 25               | 28               | 20               | 30                            | 26               | 30               | 22               | 33                            | 28               | 33               |
| 70                  | 20               | 32               | 29               | 31               | 22               | 32                            | 30               | 33               | 24               | 36                            | 32               | 36               |
| 71                  | 22               | 34               | 33               | 33               | 24               | 35                            | 34               | 36               | 26               | 39                            | 37               | 40               |
| 72                  | 24               | 37               | 37               | 36               | 26               | 38                            | 38               | 39               | 29               | 42                            | 41               | 43               |
| 73                  | 28               | 41               | 43               | 41               | 29               | 43                            | 45               | 44               | 33               | 47                            | 49               | 49               |
| 74                  | 31               | 46               | 50               | 47               | 33               | 48                            | 52               | 50               | 37               | 53                            | 56               | 55               |
| 75                  | 35               | 50               | 57               | 52               | 37               | 53                            | 59               | 56               | 41               | 58                            | 64               | 61               |
| 76                  | 38               | 55               | 64               | 57               | 40               | 58                            | 66               | 61               | 45               | 64                            | 72               | 67               |
| 77                  | 42<br>47         | 60               | 71<br>70         | 62<br>73         | 44<br>49         | 63                            | 74<br>73         | 67               | 49               | 69                            | 79<br>79         | 73<br>85         |
| 78<br>79            | 47<br>51         | 66<br>73         | 70<br>69         | 84               | 49<br>54         | 70<br>77                      | 73<br>72         | 78<br>89         | 54<br>60         | 76<br>84                      | 79<br>78         | 97               |
| 80                  | 56               | 73<br>79         | 69               | 95               | 59               | 84                            | 71               | 100              | 66               | 91                            | 76<br>77         | 109              |
| 81                  | 61               | 86               | 68               | 105              | 65               | 90                            | 70               | 112              | 71               | 98                            | 76               | 121              |
| 84                  | 80               | 116              | 86               | 143              | 85               | 123                           | 89               | 152              | 105              | 134                           | 97               | 166              |
| 85                  | 89               | 128              | 98               | 157              | 94               | 135                           | 103              | 167              | 115              | 148                           | 112              | 185              |
| 86                  | 98               | 140              | 111              | 170              | 103              | 147                           | 117              | 182              | 125              | 162                           | 127              | 204              |
| 87                  | 107              | 152              | 123              | 184              | 112              | 159                           | 130              | 196              | 134              | 177                           | 142              | 223              |
| 88                  | 116              | 164              | 136              | 198              | 121              | 172                           | 144              | 211              | 144              | 191                           | 158              | 242              |
| 89                  | 125              | 175              | 148              | 212              | 130              | 184                           | 158              | 226              | 154              | 205                           | 173              | 261              |
| 90                  | 134              | 187              | 160              | 226              | 139              | 196                           | 172              | 240              | 164              | 220                           | 188              | 280              |
| 91                  | 143              | 199              | 173              | 240              | 148              | 208                           | 186              | 255              | 174              | 234                           | 203              | 298              |
| 92+                 | 152              | 211              | 185              | 253              | 157              | 221                           | 200              | 270              | 183              | 249                           | 218              | 317              |

#### Coverage Enhancement Rider Elimination Period Factors Preferred Rate Class

| From:    | 30 days | 60 days      | 90 days      | 180 days     | 365 days     |
|----------|---------|--------------|--------------|--------------|--------------|
| To:      |         | 30 days      |              | 90 days      | 180 days     |
| Age      | ,       |              |              |              | ,            |
| 18-40    | 1.50    | 1.49         | 1.47         | 1.51         | 1.53         |
| 41       | 1.50    | 1.49         | 1.47         | 1.51         | 1.53         |
| 42       | 1.50    | 1.49         | 1.47         | 1.51         | 1.53         |
| 43       | 1.48    | 1.46         | 1.45         | 1.49         | 1.51         |
| 44       | _       | 1.44         | 1.43         | 1.47         | 1.49         |
| 45       |         | 1.42         | 1.40         | 1.44         | 1.46         |
| 46       |         | 1.40         | 1.38         | 1.42         | 1.44         |
| 47       | 1.39    | 1.38         | 1.36         | 1.40         | 1.42         |
| 48       |         | 1.38         | 1.36         | 1.40         | 1.42         |
| 49       |         | 1.38         | 1.36         | 1.40         | 1.42         |
| 50       |         | 1.38         | 1.36         | 1.40         | 1.42         |
| 51       | 1.39    | 1.38         | 1.36         | 1.40         | 1.42         |
| 52<br>53 |         | 1.38<br>1.35 | 1.36<br>1.34 | 1.40<br>1.38 | 1.42         |
| 53<br>54 |         | 1.33         | 1.34         | 1.36         | 1.40<br>1.37 |
| 54<br>55 |         | 1.33         | 1.32         | 1.33         | 1.35         |
| 56       |         | 1.29         | 1.27         | 1.33         | 1.33         |
| 57       |         | 1.23         | 1.25         | 1.29         | 1.31         |
| 58       |         | 1.25         | 1.23         | 1.27         | 1.28         |
| 59       |         | 1.22         | 1.21         | 1.24         | 1.26         |
| 60       |         | 1.20         | 1.19         | 1.22         | 1.24         |
| 61       | 1.19    | 1.18         | 1.17         | 1.20         | 1.22         |
| 62       |         | 1.16         | 1.14         | 1.18         | 1.19         |
| 63       | 1.17    | 1.16         | 1.14         | 1.18         | 1.19         |
| 64       | 1.16    | 1.15         | 1.14         | 1.17         | 1.19         |
| 65       | 1.16    | 1.15         | 1.14         | 1.17         | 1.19         |
| 66       | 1.16    | 1.15         | 1.14         | 1.17         | 1.18         |
| 67       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 68       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 69       | _       | 1.15         | 1.13         | 1.17         | 1.18         |
| 70       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 71       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 72       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 73       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 74<br>75 | _       | 1.15         | 1.13         | 1.17<br>1.17 | 1.18<br>1.18 |
| 75<br>76 |         | 1.15<br>1.15 | 1.13<br>1.13 | 1.17         | 1.18         |
| 76       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 78       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 79       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 80       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 81       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 82       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 83       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 86       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 87       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 88       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 89       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 90       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 91       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 92+      | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
|          |         |              |              |              |              |

Base Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit
Daily Benefit range from \$50 - \$99

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age      | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime  | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   |
|----------|----------|----------|----------|----------|----------|-----------|----------|----------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|
| 18-40    | 40       | 43       | 47       | 50       | 55       | 64        | 41       | 45       | 49       | 51       | 57       | 67         | 46       | 51       | 53       | 57       | 62       | 74         |
| 41       | 40       | 43       | 47       | 50       | 55       | 64        | 41       | 45       | 49       | 52       | 58       | 67         | 46       | 51       | 53       | 57       | 63       | 74         |
| 42       | 40       | 43       | 48       | 51       | 56       | 65        | 41       | 45       | 50       | 52       | 58       | 68         | 46       | 51       | 54       | 58       | 63       | 75         |
| 43       | 41       | 45       | 49       | 52       | 57       | 67        | 42       | 46       | 51       | 53       | 59       | 69         | 47       | 52       | 55       | 59       | 65       | 76         |
| 44       | 42       | 46       | 50       | 53       | 58       | 68        | 43       | 47       | 52       | 54       | 60       | 71         | 48       | 53       | 56       | 60       | 66       | 78         |
| 45       | 43       | 48       | 51       | 54       | 59       | 69        | 44       | 48       | 53       | 55       | 61       | 72         | 49       | 54       | 57       | 61       | 67       | 79         |
| 46       | 44       | 49       | 52       | 55       | 60       | 71        | 45       | 49       | 54       | 56       | 62       | 74         | 50       | 55       | 59       | 62       | 68       | 80         |
| 47       | 45       | 51       | 53       | 56       | 61       | 72        | 47       | 50       | 55       | 57       | 63       | 75         | 51       | 57       | 60       | 63       | 70       | 82         |
| 48       | 46       | 51       | 54       | 57       | 62       | 74        | 47       | 51       | 56       | 58       | 63       | 77         | 52       | 57       | 61       | 64       | 70       | 84         |
| 49       | 46       | 52       | 55       | 58       | 63       | 76        | 48       | 52       | 56       | 59       | 64       | 78         | 52       | 57       | 61       | 64       | 71       | 85         |
| 50       | 47       | 52       | 55       | 58       | 63       | 78        | 48       | 53       | 57       | 60       | 65       | 80         | 53       | 58       | 62       | 65       | 72       | 87         |
| 51       | 48       | 53       | 56       | 59       | 64       | 79        | 49       | 54       | 57       | 60       | 66       | 82         | 54       | 58       | 63       | 65       | 73       | 89         |
| 52       | 49       | 54       | 57       | 60       | 65       | 81        | 50       | 54       | 58       | 61       | 67       | 83         | 55       | 58       | 64       | 66       | 74       | 91         |
| 53       | 50       | 55       | 60       | 63       | 68       | 85        | 51       | 56       | 61       | 64       | 70       | 87         | 57       | 61       | 66       | 69       | 77       | 95         |
| 54       | 52       | 57       | 62       | 66       | 72       | 89        | 53       | 58       | 63       | 67       | 74<br>77 | 91         | 58       | 63       | 69<br>72 | 72       | 81       | 99         |
| 55       | 54       | 59       | 64       | 68       | 75<br>70 | 94        | 55<br>57 | 60       | 66       | 70       |          | 95         | 60       | 65<br>67 |          | 75<br>70 | 85       | 104        |
| 56<br>57 | 56<br>50 | 61<br>63 | 67<br>69 | 71<br>74 | 79<br>82 | 98<br>102 | 57<br>50 | 62<br>63 | 68<br>71 | 73<br>76 | 80<br>84 | 100<br>104 | 62<br>64 | 67<br>70 | 74<br>77 | 79<br>82 | 88<br>92 | 108<br>112 |
|          | 58<br>62 | 63<br>67 | 75       | 74<br>80 | 89       | 110       | 58       | 68       | 71       | 76<br>82 | 91       | 113        | 69       | 70<br>75 | 84       | 89       | 92       | 122        |
| 58<br>59 | 67       | 72       | 75<br>81 | 86       | 96       | 110       | 63<br>67 | 73       | 83       | 89       | 98       | 122        | 74       | 75<br>80 | 90       | 95       | 107      | 132        |
| 60       | 71       | 72<br>76 | 87       | 92       | 102      | 128       | 72       | 73<br>78 | 88       | 95       | 105      | 132        | 74<br>79 | 85       | 97       | 102      | 114      | 143        |
| 61       | 76       | 81       | 92       | 98       | 102      | 136       | 76       | 83       | 94       | 101      | 112      | 141        | 84       | 90       | 103      | 102      | 122      | 153        |
| 62       | 80       | 86       | 98       | 105      | 116      | 145       | 81       | 87       | 100      | 108      | 119      | 150        | 89       | 95       | 109      | 116      | 129      | 163        |
| 63       | 88       | 94       | 108      | 116      | 128      | 160       | 89       | 96       | 110      | 119      | 132      | 166        | 97       | 104      | 120      | 129      | 143      | 180        |
| 64       | 95       | 103      | 117      | 127      | 140      | 175       | 96       | 105      | 119      | 131      | 145      | 181        | 105      | 114      | 130      | 141      | 157      | 197        |
| 65       | 103      | 111      | 126      | 139      | 152      | 191       | 104      | 113      | 129      | 142      | 159      | 197        | 114      | 123      | 141      | 154      | 170      | 214        |
| 66       | 111      | 120      | 136      | 150      | 165      | 206       | 112      | 122      | 138      | 154      | 172      | 212        | 122      | 133      | 151      | 167      | 184      | 231        |
| 67       | 118      | 128      | 145      | 161      | 177      | 221       | 120      | 131      | 148      | 165      | 185      | 228        | 130      | 142      | 162      | 180      | 198      | 248        |
| 68       | 135      | 145      | 164      | 184      | 202      | 249       | 137      | 149      | 168      | 189      | 211      | 257        | 148      | 162      | 183      | 205      | 227      | 281        |
| 69       | 151      | 163      | 182      | 207      | 227      | 277       | 153      | 166      | 187      | 213      | 236      | 287        | 167      | 181      | 204      | 231      | 255      | 313        |
| 70       | 167      | 180      | 201      | 230      | 252      | 305       | 170      | 184      | 207      | 236      | 262      | 316        | 185      | 201      | 225      | 257      | 284      | 345        |
| 71       | 183      | 197      | 219      | 252      | 277      | 333       | 186      | 202      | 227      | 260      | 287      | 346        | 203      | 220      | 246      | 283      | 313      | 377        |
| 72       | 199      | 214      | 238      | 275      | 302      | 360       | 203      | 220      | 247      | 284      | 313      | 375        | 221      | 239      | 267      | 309      | 342      | 409        |
| 73       | 226      | 243      | 271      | 314      | 344      | 409       | 230      | 250      | 280      | 324      | 357      | 426        | 251      | 272      | 302      | 352      | 390      | 464        |
| 74       | 253      | 272      | 303      | 352      | 387      | 457       | 258      | 279      | 314      | 363      | 401      | 476        | 281      | 304      | 337      | 395      | 438      | 519        |
| 75       | 280      | 301      | 336      | 391      | 430      | 505       | 286      | 309      | 347      | 403      | 446      | 526        | 312      | 337      | 373      | 439      | 486      | 574        |
| 76       | 307      | 330      | 369      | 429      | 472      | 553       | 313      | 339      | 381      | 443      | 490      | 577        | 342      | 369      | 408      | 482      | 533      | 628        |
| 77       | 334      | 359      | 401      | 468      | 515      | 602       | 341      | 369      | 414      | 483      | 534      | 627        | 372      | 402      | 443      | 526      | 581      | 683        |
| 78       | 376      | 403      | 446      | 511      | 564      | 660       | 384      | 413      | 460      | 527      | 585      | 688        | 419      | 450      | 495      | 574      | 642      | 749        |
| 79       | 419      | 446      | 491      | 554      | 614      | 718       | 427      | 458      | 506      | 571      | 636      | 749        | 466      | 499      | 546      | 622      | 703      | 816        |
| 80       | 461      | 490      | 535      | 597      | 663      | 777       | 471      | 502      | 552      | 615      | 687      | 810        | 513      | 548      | 598      | 670      | 764      | 882        |
| 81       | 504      | 533      | 580      | 640      | 712      | 835       | 514      | 547      | 597      | 659      | 738      | 870        | 560      | 596      | 650      | 719      | 825      | 948        |
| 82       | 547      | 577      | 624      | 682      | 762      | 894       | 558      | 591      | 643      | 703      | 789      | 931        | 607      | 645      | 701      | 767      | 886      | 1,015      |
| 83       | 601      | 636      | 690      | 757      | 845      | 991       | 614      | 652      | 711      | 780      | 876      | 1,035      | 655      | 711      | 776      | 850      | 983      | 1,127      |
| 84       | 663      | 700      | 763      | 839      | 937      | 1,099     | 677      | 719      | 787      | 865      | 971      | 1,148      | 721      | 783      | 857      | 943      | 1,091    | 1,252      |

Base Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit
Daily Benefit range from \$100 - \$500

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age      | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   | 2 year     | 3 year     | 4 year     | 5 year               | 8 year     | Lifetime     |
|----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|----------------------|------------|--------------|
| 18-40    | 32         | 36         | 40         | 42         | 47         | 57         | 33         | 37         | 41         | 44         | 49         | 60         | 37         | 41         | 45         | 49                   | 54         | 66           |
| 41       | 32         | 36         | 40         | 42         | 47         | 57         | 33         | 37         | 41         | 45         | 50         | 60         | 37         | 41         | 45         | 49                   | 55         | 66           |
| 42       | 32         | 36         | 41         | 43         | 48         | 58         | 33         | 37         | 42         | 45         | 50         | 61         | 37         | 42         | 46         | 50                   | 55         | 67           |
| 43       | 33         | 37         | 42         | 44         | 49         | 60         | 34         | 38         | 43         | 45         | 51         | 62         | 38         | 43         | 47         | 50                   | 56         | 68           |
| 44       | 34         | 38         | 42         | 45         | 50         | 61         | 35         | 39         | 44         | 46         | 51         | 63         | 39         | 44         | 48         | 51                   | 57         | 69           |
| 45       | 35         | 39         | 43         | 46         | 51         | 62         | 36         | 39         | 45         | 47         | 52         | 64         | 40         | 44         | 48         | 52                   | 58         | 71           |
| 46       | 36         | 40         | 44         | 47         | 52         | 63         | 37         | 40         | 45         | 48         | 53         | 66         | 40         | 45         | 49         | 53                   | 59         | 72           |
| 47       | 36         | 41         | 44         | 47         | 53         | 64         | 38         | 41         | 46         | 49         | 54         | 67         | 41         | 46         | 50         | 53                   | 60         | 73           |
| 48       | 37         | 42         | 45         | 48         | 54         | 66         | 38         | 42         | 47         | 49         | 55         | 68         | 42         | 47         | 51         | 54                   | 61         | 75           |
| 49       | 37         | 43         | 46         | 49         | 54         | 68         | 38         | 43         | 47         | 50         | 56         | 70         | 42         | 47         | 52         | 55                   | 62         | 77           |
| 50       | 38         | 43         | 47         | 50         | 55         | 70         | 39         | 44         | 48         | 51         | 56         | 72         | 43         | 48         | 52         | 55                   | 62         | 78           |
| 51       | 39         | 44         | 47         | 51         | 56         | 71         | 39         | 45         | 48         | 51         | 57         | 73         | 43         | 48         | 53         | 56                   | 63         | 80           |
| 52       | 39         | 45         | 48         | 51         | 56         | 73         | 40         | 45         | 49         | 52         | 58         | 75         | 44         | 49         | 54         | 57                   | 64         | 82           |
| 53       | 41         | 46         | 50         | 54         | 59         | 77         | 41         | 47         | 51         | 54         | 61         | 78         | 45         | 50         | 56         | 59                   | 67         | 85           |
| 54       | 42         | 47         | 52         | 56         | 62         | 80         | 43         | 48         | 53         | 57         | 63         | 82         | 47         | 52         | 58         | 61                   | 70         | 89           |
| 55       | 43         | 49<br>50   | 54<br>56   | 58         | 64         | 84<br>87   | 44<br>45   | 50         | 55<br>57   | 59         | 66<br>68   | 85         | 48         | 54<br>56   | 60         | 64                   | 72<br>75   | 93           |
| 56<br>57 | 45<br>46   | 50<br>52   | 56<br>57   | 60<br>62   | 67<br>69   | 91         | 45<br>47   | 51<br>52   | 57<br>59   | 61<br>64   | 71         | 89<br>93   | 50<br>51   | 56<br>58   | 62<br>64   | 66<br>69             | 75<br>78   | 96<br>100    |
| 58       | 50         | 55         | 62         | 67         | 75         | 98         | 50         | 56         | 64         | 69         | 77         | 100        | 55         | 62         | 69         | 74                   | 84         | 108          |
| 59       | 53         | 59         | 66         | 72         | 80         | 105        | 54         | 60         | 68         | 74         | 82         | 100        | 59         | 66         | 74         | 7 <del>4</del><br>79 | 90         | 117          |
| 60       | 57         | 63         | 71         | 77         | 86         | 112        | 57         | 64         | 72         | 79         | 88         | 115        | 63         | 70         | 79         | 85                   | 96         | 125          |
| 61       | 60         | 66         | 75         | 82         | 91         | 119        | 61         | 68         | 77         | 84         | 93         | 123        | 67         | 74         | 84         | 90                   | 102        | 133          |
| 62       | 64         | 70         | 80         | 86         | 97         | 126        | 64         | 72         | 81         | 89         | 99         | 131        | 71         | 78         | 89         | 96                   | 108        | 142          |
| 63       | 70         | 77         | 88         | 95         | 106        | 139        | 70         | 78         | 90         | 98         | 110        | 144        | 77         | 85         | 98         | 106                  | 119        | 156          |
| 64       | 76         | 83         | 96         | 104        | 116        | 152        | 76         | 85         | 98         | 107        | 121        | 158        | 84         | 93         | 107        | 116                  | 130        | 171          |
| 65       | 82         | 90         | 105        | 113        | 126        | 166        | 83         | 92         | 106        | 116        | 131        | 171        | 90         | 100        | 116        | 126                  | 141        | 186          |
| 66       | 88         | 97         | 113        | 122        | 136        | 179        | 89         | 99         | 115        | 125        | 142        | 185        | 97         | 107        | 126        | 136                  | 152        | 201          |
| 67       | 94         | 103        | 121        | 131        | 146        | 192        | 95         | 106        | 123        | 134        | 153        | 198        | 103        | 115        | 135        | 146                  | 164        | 216          |
| 68       | 106        | 117        | 136        | 150        | 166        | 216        | 108        | 120        | 140        | 154        | 174        | 223        | 117        | 130        | 152        | 167                  | 187        | 243          |
| 69       | 119        | 131        | 152        | 168        | 187        | 239        | 121        | 134        | 156        | 173        | 194        | 247        | 131        | 146        | 170        | 188                  | 210        | 270          |
| 70       | 131        | 144        | 167        | 187        | 207        | 262        | 133        | 148        | 173        | 192        | 215        | 272        | 145        | 161        | 187        | 209                  | 234        | 296          |
| 71       | 143        | 158        | 183        | 205        | 227        | 285        | 146        | 162        | 189        | 211        | 236        | 296        | 159        | 176        | 205        | 230                  | 257        | 323          |
| 72       | 155        | 172        | 198        | 224        | 247        | 308        | 159        | 176        | 206        | 231        | 257        | 321        | 173        | 192        | 222        | 251                  | 280        | 350          |
| 73       | 176        | 194        | 226        | 255        | 282        | 349        | 179        | 199        | 234        | 263        | 293        | 364        | 195        | 217        | 252        | 286                  | 319        | 397          |
| 74       | 196        | 217        | 253        | 286        | 317        | 390        | 200        | 222        | 262        | 296        | 329        | 407        | 218        | 242        | 281        | 321                  | 359        | 443          |
| 75       | 216        | 240        | 280        | 318        | 352        | 432        | 221        | 246        | 290        | 328        | 365        | 450        | 241        | 268        | 311        | 357                  | 398        | 490          |
| 76       | 236        | 262        | 307        | 349        | 387        | 473        | 241        | 269        | 317        | 361        | 402        | 493        | 264        | 293        | 340        | 392                  | 437        | 537          |
| 77       | 257        | 285        | 334        | 380        | 422        | 514        | 262        | 293        | 345        | 393        | 438        | 536        | 286        | 319        | 369        | 427                  | 477        | 584          |
| 78       | 288        | 319        | 372        | 416        | 462        | 564        | 293        | 327        | 383        | 430        | 480        | 588        | 320        | 357        | 412        | 468                  | 526        | 640          |
| 79       | 318        | 353        | 409        | 452        | 503        | 614        | 325        | 362        | 422        | 466        | 521        | 640        | 354        | 395        | 455        | 508                  | 576        | 697          |
| 80       | 349        | 387        | 446        | 488        | 543        | 664        | 356        | 396        | 460        | 503        | 563        | 692        | 388        | 432        | 498        | 548                  | 626        | 754          |
| 81       | 380        | 420        | 483        | 524        | 584<br>625 | 714        | 388        | 431        | 498        | 540<br>576 | 605        | 744        | 422        | 470        | 541        | 588                  | 676        | 810          |
| 82       | 411        | 454<br>501 | 520<br>575 | 559        |            | 764<br>947 | 419        | 466        | 536        |            | 647        | 796        | 456        | 508        | 584        | 629<br>607           | 726        | 867          |
| 83<br>84 | 452<br>499 | 501<br>551 | 575<br>636 | 621<br>688 | 693<br>768 | 847<br>939 | 462<br>509 | 513<br>566 | 593<br>656 | 640<br>709 | 718<br>796 | 884<br>981 | 493<br>542 | 560<br>616 | 646<br>714 | 697<br>773           | 805<br>894 | 963<br>1,070 |
| 04       | 433        | 331        | 030        | 000        | 700        | 508        | 509        | 500        | 000        | 709        | 130        | 901        | 342        | 010        | / 14       | 113                  | 034        | 1,070        |

#### **Rider Premium Rates and Premium Factors**

Factors applied to base premium rates

| Part  |      |      |      |      |      | 5%   |        |      |      |       | Full  |      |                    |                         |         |
|---|------|------|------|------|------|------|--------|------|------|-------|-------|------|--------------------|-------------------------|---------|
| The color     |      |      |      |      |      |      |        |      |      |       |       |      | 5 6                | <b>.</b>                |         |
| 18-40   | امما |      |      |      |      |      | 10 pay |      | CDD  |       |       |      |                    |                         |         |
| 41   2.66   2.26   1.85   1.79   1.00   3.72   1.75   1.20   1.30   1.49   1.12   3 year   1.05   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 42   2.66   2.26   1.85   1.79   1.60   3.72   1.75   1.20   1.30   1.49   1.12   4 year   1.04   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 43  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 46  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 46  | 44   | 2.64 | 2.24 | 1.85 | 1.79 | 1.60 | 3.53   | 1.80 | 1.20 | 1.34  | 1.53  | 1.12 | 8 year             | 1.04                    |         |
| 47   261   2.22   1.85   1.80   1.60   3.25   1.88   1.21   1.39   1.60   1.12   Spousal Showard Care Harmond Care Harmon | 45   | 2.63 | 2.24 | 1.85 | 1.80 | 1.60 | 3.44   | 1.83 | 1.21 | 1.35  | 1.56  | 1.12 |                    | N / A                   |         |
| 48  | 46   | 2.62 | 2.23 | 1.85 | 1.80 | 1.60 | 3.34   | 1.85 | 1.21 | 1.37  | 1.58  | 1.12 |                    |                         |         |
| Second      |      |      |      | 1.85 | 1.80 | 1.60 | 3.25   | 1.88 |      | 1.39  |       | 1.12 |                    |                         |         |
| 50  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 5   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| Second Color  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 55  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 54  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 55   2.33   2.05   1.76   1.74   1.80   2.66   1.23   1.59   1.84   1.12   8 year   1.02   1.02   1.05     |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| Fig.     |      |      |      |      |      |      |        | 2.52 |      |       |       |      |                    |                         |         |
| 57  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 58   2.18   1.94   1.88   1.71   1.60   2.45   1.24   1.69   1.97   1.11   Restoration of Benefits and Shared Care are not all the wind in the area of the standard of the    |      |      |      |      |      |      |        |      |      |       |       |      | Lifetime           | N/A                     | N/A     |
| 59  |      |      |      |      |      |      |        |      |      |       |       |      | Postoration of Po  | nofite and Charad Care  | oro     |
| 60  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 61  |      |      |      |      |      |      |        |      |      |       |       |      | not available with | Lifetime benefit period | горион. |
| Fig.   Section         |      |      |      |      |      |        |      |      |       |       |      | HCC Monthly Re     | nefit                   | 1.06    |
| 65   2.03   1.81   1.58   1.66   1.57   2.08   1.25   1.90   2.23   1.11     HCC Calendar Day EP   1.02   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 64  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 65  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 66  |      |      |      |      |      |      |        |      |      |       |       |      |                    | •                       | 2       |
| 67  |      |      |      |      |      |      |        |      |      |       |       | 1.10 | Monthly Indemni    | tv Benefit              |         |
| 69  |      |      |      |      | 1.59 |      |        |      |      |       |       | 1.10 |                    | *                       | 1.04    |
| 70  | 68   | 1.82 | 1.65 | 1.48 | 1.57 | 1.53 | 1.76   |      | 1.26 | 2.36  | 2.81  | 1.10 | 25%                |                         | 1.10    |
| 71  |      | 1.78 | 1.62 | 1.46 | 1.55 | 1.52 | 1.71   |      | 1.27 | 2.50  | 3.00  | 1.10 | 50%                |                         |         |
| 72  | 70   | 1.74 | 1.59 | 1.44 | 1.54 | 1.51 | 1.65   |      | 1.27 | 2.65  | 3.19  | 1.09 | 100% (age < 60)    |                         | 2.57    |
| 73         1.63         1.51         1.39         1.48         1.48         1.48         1.28         3.54         4.54         1.06         Elimination Period Factors           74         1.60         1.49         1.37         1.47         1.42         1.28         4.23         5.71         1.05         7 Day         1.30           75         1.57         1.46         1.36         1.45         1.44         1.44         1.31         1.28         5.06         7.21         1.04         30 Day         1.18           76         1.54         1.44         1.34         1.44         1.43         1.25         1.29         6.07         11.66         1.02         90 Day         1.08           77         1.51         1.42         1.33         1.42         1.43         1.25         1.29         6.07         11.66         1.02         90 Day         1.00           78         1.49         1.40         1.32         1.22         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.16         1.29         10.48         20.15         1.02  |      |      |      |      |      |      |        |      |      |       |       |      | 100% (age 60+)     |                         | 2.23    |
| 74         1.60         1.49         1.37         1.47         1.42         1.28         4.23         5.71         1.05         7 Day         1.30           75         1.57         1.46         1.36         1.45         1.45         1.37         1.28         5.06         7.21         1.04         30 Day         1.18           76         1.54         1.44         1.34         1.44         1.41         1.42         1.31         1.28         5.82         9.15         1.03         60 Day         1.18           77         1.51         1.42         1.33         1.42         1.43         1.25         1.29         6.07         11.66         1.02         90 Day         1.00           78         1.49         1.40         1.32         1.41         1.42         1.22         1.29         7.28         13.99         1.02         180 Day         0.90           79         1.46         1.38         1.30         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.16         1.29         10.48   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 75         1.57         1.46         1.36         1.45         1.45         1.37         1.28         5.06         7.21         1.04         30 Day         1.18           76         1.54         1.44         1.34         1.44         1.31         1.28         5.82         9.15         1.03         60 Day         1.08           77         1.51         1.42         1.33         1.42         1.43         1.22         1.29         6.07         11.66         1.02         90 Day         1.00           78         1.49         1.40         1.32         1.41         1.42         1.22         1.29         7.28         13.99         1.02         180 Day         0.90           79         1.46         1.38         1.30         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           81         1.41         1.35         1.27         1.37         1.39         1.13         1.30         10.48  |      |      |      |      |      |      |        |      |      |       |       |      |                    | od Factors              |         |
| 76         1.54         1.44         1.34         1.44         1.31         1.28         5.82         9.15         1.03         60 Day         1.08           77         1.51         1.42         1.33         1.42         1.43         1.25         1.29         6.07         11.66         1.02         90 Day         1.00           78         1.49         1.40         1.32         1.41         1.42         1.22         1.29         7.28         13.99         1.02         180 Day         0.90           79         1.46         1.38         1.30         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.16         1.29         10.48         20.15         1.02           1.02         1.02         365 Day         0.80           81         1.41         1.35         1.27         1.37         1.39         1.13         1.02         1.048         20.15         1.02          1.02         Risk Class Factors           82         1.39         1.33         1.26         <   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 77  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 78         1.49         1.40         1.32         1.41         1.42         1.22         1.29         7.28         13.99         1.02         180 Day         0.90           79         1.46         1.38         1.30         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.41         1.19         1.29         1.02         80  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 79         1.46         1.38         1.30         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.16         1.29         10.48         20.15         1.02         Risk Class Factors           81         1.41         1.35         1.27         1.37         1.39         1.13         1.26         1.36         1.38         1.10         1.30         10.48         20.15         1.02         Preferred Plus         0.85           82         1.39         1.33         1.26         1.35         1.36         1.09         1.30         10.48         20.15         1.02         Preferred Plus         0.85           83         1.37         1.31         1.25         1.35         1.36         1.09         1.30         10.48         20.15         1.02         Preferred Plus         0.85           84         1.35         1.30         1.24         1.04         1.09         1.30         10.48         20.15         1.02         Standard         1.20           85         1.34         1.29         1.23         1   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 80         1.44         1.37         1.29         1.38         1.40         1.16         1.29         10.48         20.15         1.02         Risk Class Factors           81         1.41         1.35         1.27         1.37         1.39         1.13         1.30         10.48         20.15         1.02         Risk Class Factors           82         1.39         1.33         1.26         1.36         1.38         1.10         1.30         10.48         20.15         1.02         Preferred Plus         0.85           83         1.37         1.31         1.25         1.35         1.36         1.09         1.30         10.48         20.15         1.02         Preferred Plus         0.85           84         1.35         1.30         1.24         1.34         1.34         1.08         1.30         10.48         20.15         1.02         Preferred Plus         0.85           85         1.34         1.29         1.23         1.33         1.30         10.48         20.15         1.02         Standard         1.20           88         1.29         1.25         1.20         1.28         1.29         1.30         10.48         20.15         1.02 <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 81         1.41         1.35         1.27         1.37         1.39         1.13         1.30         10.48         20.15         1.02         Risk Class Factors           82         1.39         1.33         1.26         1.36         1.38         1.10         1.30         10.48         20.15         1.02         Preferred Plus         0.85           83         1.37         1.31         1.26         1.36         1.39         1.30         10.48         20.15         1.02         Preferred Plus         0.85           84         1.35         1.30         1.24         1.34         1.34         1.08         1.30         10.48         20.15         1.02         Preferred Plus         0.85           85         1.34         1.29         1.23         1.32         1.33         1.30         10.48         20.15         1.02         Standard         1.20           85         1.34         1.29         1.23         1.32         1.33         1.30         10.48         20.15         1.02         Select IV         3.00           89         1.28         1.23         1.28         1.30         10.48         20.15         1.02         Discount Factors <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>303 Day</td><td></td><td>0.60</td></td<>   |      |      |      |      |      |      |        |      |      |       |       |      | 303 Day            |                         | 0.60    |
| 82     1.39     1.33     1.26     1.36     1.38     1.10     1.30     10.48     20.15     1.02     Preferred Plus     0.85       83     1.37     1.31     1.25     1.35     1.36     1.09     1.30     10.48     20.15     1.02     Preferred Plus     0.85       84     1.35     1.30     1.24     1.34     1.34     1.09     1.30     10.48     20.15     1.02     Standard     1.20       85     1.34     1.29     1.23     1.32     1.33     1.30     10.48     20.15     1.02     Select I     1.50       88     1.29     1.25     1.20     1.28     1.29     1.30     10.48     20.15     1.02     Select IV     3.00       89     1.28     1.23     1.8     1.26     1.28     1.30     10.48     20.15     1.02     Select IV     3.00       90     1.26     1.22     1.17     1.24     1.26     1.30     10.48     20.15     1.02     Discount Factors       91     1.25     1.20     1.6     1.23     1.25     1.30     10.48     20.15     1.02     Married     0.90       92+     1.23     1.19     1.15     1.21     1.23<  |      |      |      |      |      |      |        |      |      |       |       |      | Rick Clace Facto   | ire                     |         |
| 83     1.37     1.31     1.25     1.35     1.36     1.09     1.30     10.48     20.15     1.02     Preferred     1.00       84     1.35     1.30     1.24     1.34     1.34     1.08     1.30     10.48     20.15     1.02     Standard     1.20       85     1.34     1.29     1.23     1.32     1.33     1.30     10.48     20.15     1.02     Select I     1.50       88     1.29     1.25     1.20     1.28     1.29     1.30     10.48     20.15     1.02     Select IV     3.00       89     1.28     1.23     1.18     1.26     1.28     1.30     10.48     20.15     1.02     Discount Factors       90     1.26     1.22     1.17     1.24     1.26     1.30     10.48     20.15     1.02     Discount Factors       91     1.25     1.20     1.16     1.23     1.25     1.30     10.48     20.15     1.02     Married     0.90       92+     1.23     1.19     1.15     1.21     1.23     1.30     10.48     20.15     1.02     Spousal     0.70  |      |      |      |      |      |      |        |      |      |       |       |      |                    | 113                     | 0.85    |
| 84     1.35     1.30     1.24     1.34     1.34     1.08     1.30     10.48     20.15     1.02     Standard     1.20       85     1.34     1.29     1.23     1.32     1.33     1.30     10.48     20.15     1.02     Select IV     1.50       88     1.29     1.20   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 85     1.34     1.29     1.23     1.32     1.33     1.30     10.48     20.15     1.02     Select I     1.50       88     1.29     1.25     1.20     1.28     1.29     1.30     10.48     20.15     1.02     Select IV     3.00       89     1.28     1.23     1.18     1.26     1.28     1.30     10.48     20.15     1.02     Select IV     3.00       90     1.26     1.22     1.17     1.24     1.26     1.30     10.48     20.15     1.02     Discount Factors       91     1.25     1.20     1.16     1.23     1.25     1.30     10.48     20.15     1.02     Married     0.90       92+     1.23     1.19     1.15     1.21     1.23     1.30     10.48     20.15     1.02     Spousal     0.70   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 88     1.29     1.25     1.20     1.28     1.29     1.30     10.48     20.15     1.02     Select IV     3.00       89     1.28     1.23     1.18     1.26     1.28     1.30     10.48     20.15     1.02       90     1.26     1.22     1.17     1.24     1.26     1.30     10.48     20.15     1.02     Discount Factors       91     1.25     1.20     1.16     1.23     1.25     1.30     10.48     20.15     1.02     Married     0.90       92+     1.23     1.19     1.15     1.21     1.23     1.30     10.48     20.15     1.02     Spousal     0.70  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 89     1.28     1.23     1.18     1.26     1.28     1.30     10.48     20.15     1.02  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 90 1.26 1.22 1.17 1.24 1.26 1.30 10.48 20.15 1.02 <u>Discount Factors</u><br>91 1.25 1.20 1.16 1.23 1.25 1.30 10.48 20.15 1.02 <u>Married</u> 0.90<br>92+ 1.23 1.19 1.15 1.21 1.23 1.30 10.48 20.15 1.02 <u>Spousal</u> 0.70  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 91 1.25 1.20 1.16 1.23 1.25 1.30 10.48 20.15 1.02 Married 0.90 92+ 1.23 1.19 1.15 1.21 1.23 1.30 10.48 20.15 1.02 Spousal 0.70  |      | 1.26 |      | 1.17 | 1.24 |      |        |      |      | 10.48 |       | 1.02 | Discount Factors   | 3                       |         |
|   |      |      |      |      |      |      |        |      |      |       |       |      | Married            |                         |         |
| Facility Care Only Endorsement 0.90   | 92+  | 1.23 | 1.19 | 1.15 | 1.21 | 1.23 |        |      | 1.30 | 10.48 | 20.15 | 1.02 |                    |                         |         |
|   |      |      |      |      |      |      |        |      |      |       |       |      | Facility Care Only | Endorsement             | 0.90    |

Coverage Enhancement Rider
Daily Benefit Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age      | 2 year   | 3 year     | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   |
|----------|----------|------------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|
| 18-40    | 44       | 49         | 54       | 57       | 64       | 78         | 45       | 50       | 56       | 61       | 67       | 82         | 50       | 56       | 61       | 67       | 73       | 90         |
| 41       | 44       | 49         | 54       | 57       | 64       | 78         | 45       | 50       | 56       | 61       | 68       | 82         | 50       | 56       | 61       | 67       | 75       | 90         |
| 42       | 44       | 49         | 56       | 59       | 66       | 79         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 57       | 62       | 67       | 74       | 91         |
| 43       | 44       | 50         | 56       | 59       | 66       | 80         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 57       | 63       | 67       | 75       | 91         |
| 44       | 45       | 50         | 56       | 59       | 66       | 80         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 58       | 63       | 67       | 75       | 91         |
| 45       | 45       | 51         | 56       | 59       | 66       | 80         | 47       | 51       | 57       | 61       | 68       | 84         | 51       | 58       | 63       | 67       | 75       | 92         |
| 46       | 45       | 51         | 56       | 60       | 66       | 81         | 47       | 51       | 57       | 61       | 68       | 84         | 52       | 58       | 63       | 67       | 75       | 92         |
| 47       | 46       | 52         | 56       | 60       | 67       | 81         | 47       | 52       | 57       | 61       | 68       | 84         | 52       | 58       | 63       | 67       | 76       | 92         |
| 48       | 47       | 53         | 57       | 61       | 67       | 83         | 48       | 53       | 58       | 62       | 69       | 86         | 53       | 59       | 64       | 68       | 77       | 94         |
| 49       | 48       | 54         | 58       | 62       | 68       | 86         | 49       | 54       | 59       | 63       | 70       | 88         | 53       | 59       | 65       | 69       | 78       | 96         |
| 50       | 49       | 55         | 59       | 63       | 69       | 88         | 50       | 55       | 60       | 64       | 71       | 90         | 54       | 60       | 66       | 70       | 79       | 99         |
| 51       | 50       | 55         | 61       | 64       | 70       | 90         | 51       | 56       | 61       | 65       | 72       | 92         | 55       | 61       | 67       | 70       | 80       | 101        |
| 52       | 50       | 56         | 62       | 65       | 71       | 92         | 51       | 57       | 61       | 66       | 73       | 94         | 56       | 61       | 68       | 71       | 81       | 103        |
| 53       | 51       | 57         | 63       | 66       | 73       | 95         | 52       | 58       | 63       | 67       | 75       | 97         | 56       | 62       | 69       | 73       | 83       | 106        |
| 54       | 52       | 58         | 64       | 68       | 75<br>77 | 97         | 53       | 59       | 64       | 69       | 77<br>70 | 100        | 57       | 63       | 70       | 75<br>76 | 85       | 108        |
| 55       | 52       | 59<br>50   | 65<br>66 | 69       | 77<br>70 | 100        | 53       | 59       | 66       | 71<br>72 | 79       | 102        | 58<br>50 | 65<br>66 | 72<br>73 | 76       | 86       | 111        |
| 56       | 53       | 59         | 66       | 71       | 79       | 103        | 54       | 60       | 67       |          | 81       | 105        | 59       | 66       | 73<br>75 | 78       | 88       | 113        |
| 57<br>58 | 54<br>57 | 60<br>63   | 67<br>70 | 72<br>76 | 81<br>85 | 105<br>111 | 55<br>57 | 61<br>64 | 69<br>72 | 74<br>78 | 82<br>87 | 107<br>114 | 59<br>62 | 67<br>70 | 75<br>78 | 80<br>84 | 90<br>95 | 116<br>123 |
| 59       | 59       | 66         | 70<br>74 | 80       | 89       | 117        | 60       | 67       | 72<br>76 | 82       | 91       | 120        | 66       | 73       | 82       | 88       | 100      | 130        |
| 60       | 62       | 69         | 74<br>78 | 84       | 94       | 122        | 63       | 70       | 76<br>79 | 86       | 96       | 126        | 69       | 76       | 86       | 93       | 105      | 136        |
| 61       | 65       | 71         | 81       | 88       | 98       | 128        | 66       | 73       | 83       | 90       | 100      | 132        | 72       | 70<br>79 | 90       | 97       | 109      | 143        |
| 62       | 68       | 74         | 85       | 92       | 102      | 133        | 68       | 76       | 86       | 94       | 105      | 139        | 75       | 82       | 93       | 101      | 114      | 150        |
| 63       | 74       | 81         | 93       | 101      | 113      | 147        | 75       | 83       | 95       | 104      | 116      | 152        | 82       | 90       | 103      | 112      | 126      | 165        |
| 64       | 80       | 88         | 102      | 110      | 123      | 161        | 81       | 90       | 103      | 113      | 126      | 166        | 88       | 98       | 113      | 122      | 137      | 181        |
| 65       | 86       | 95         | 110      | 119      | 133      | 175        | 87       | 97       | 112      | 122      | 137      | 180        | 95       | 105      | 122      | 133      | 149      | 196        |
| 66       | 93       | 102        | 119      | 129      | 143      | 188        | 94       | 104      | 121      | 132      | 147      | 194        | 102      | 113      | 132      | 143      | 160      | 211        |
| 67       | 99       | 109        | 127      | 138      | 153      | 202        | 100      | 111      | 129      | 141      | 158      | 208        | 109      | 121      | 141      | 153      | 172      | 227        |
| 68       | 112      | 123        | 143      | 157      | 175      | 226        | 113      | 126      | 146      | 161      | 180      | 234        | 123      | 137      | 160      | 175      | 196      | 255        |
| 69       | 125      | 137        | 160      | 177      | 196      | 251        | 127      | 140      | 163      | 182      | 202      | 259        | 138      | 153      | 178      | 197      | 221      | 283        |
| 70       | 138      | 152        | 176      | 196      | 217      | 275        | 140      | 155      | 180      | 202      | 225      | 285        | 152      | 169      | 197      | 219      | 245      | 311        |
| 71       | 151      | 166        | 192      | 215      | 239      | 299        | 153      | 170      | 197      | 222      | 247      | 311        | 167      | 185      | 215      | 241      | 270      | 339        |
| 72       | 164      | 180        | 208      | 235      | 260      | 323        | 167      | 185      | 214      | 242      | 269      | 337        | 181      | 201      | 233      | 263      | 294      | 367        |
| 73       | 185      | 204        | 236      | 268      | 296      | 367        | 189      | 209      | 242      | 276      | 307      | 382        | 205      | 228      | 264      | 300      | 335      | 417        |
| 74       | 206      | 228        | 263      | 301      | 333      | 410        | 211      | 234      | 271      | 310      | 345      | 427        | 229      | 255      | 295      | 338      | 377      | 466        |
| 75       | 228      | 252        | 290      | 334      | 370      | 453        | 233      | 258      | 299      | 344      | 384      | 472        | 253      | 281      | 326      | 375      | 418      | 515        |
| 76       | 249      | 276        | 317      | 367      | 406      | 497        | 254      | 283      | 328      | 379      | 422      | 517        | 277      | 308      | 357      | 412      | 459      | 564        |
| 77       | 271      | 299        | 345      | 399      | 443      | 540        | 276      | 307      | 356      | 413      | 460      | 563        | 301      | 335      | 388      | 449      | 500      | 613        |
| 78       | 303      | 335        | 385      | 437      | 489      | 592        | 309      | 344      | 397      | 451      | 508      | 617        | 336      | 375      | 433      | 491      | 553      | 673        |
| 79       | 335      | 370        | 425      | 475      | 536      | 645        | 342      | 380      | 439      | 490      | 555      | 672        | 372      | 414      | 478      | 533      | 605      | 732        |
| 80       | 367      | 406        | 466      | 512      | 582      | 697        | 375      | 416      | 480      | 528      | 603      | 727        | 408      | 454      | 523      | 575      | 657      | 792        |
| 81       | 399      | 442        | 506      | 550      | 629      | 750        | 407      | 453      | 521      | 567      | 651      | 781        | 443      | 494      | 568      | 618      | 710      | 851        |
| 82       | 431      | 477        | 546      | 587      | 675      | 802        | 440      | 489      | 563      | 605      | 699      | 836        | 479      | 533      | 614      | 660      | 762      | 911        |
| 83       | 475      | 526        | 604      | 652      | 749      | 890        | 485      | 539      | 622      | 672      | 776      | 928        | 517      | 588      | 679      | 732      | 846      | 1,012      |
| 86       | 579      | 650        | 759      | 834      | 964      | 1209       | 592      | 667      | 783      | 862      | 1002     | 1267       | 643      | 737      | 864      | 950      | 1109     | 1400       |
| 87       | 607      | 685        | 804      | 889      | 1031     | 1321       | 621      | 704      | 830      | 921      | 1073     | 1385       | 680      | 782      | 921      | 1020     | 1194     | 1538       |
| 88       | 635      | 721        | 850      | 945      | 1098     | 1433       | 650      | 740      | 877      | 979      | 1144     | 1503       | 716      | 827      | 978      | 1089     | 1279     | 1676       |
| 89       | 662      | 756<br>701 | 895      | 1001     | 1165     | 1544       | 679      | 777      | 924      | 1038     | 1214     | 1621       | 753      | 871      | 1035     | 1159     | 1364     | 1815       |
| 90       | 690      | 791        | 941      | 1057     | 1232     | 1656       | 708      | 813      | 971      | 1097     | 1285     | 1739       | 790      | 916      | 1092     | 1228     | 1449     | 1953       |
| 91       | 718      | 827        | 986      | 1112     | 1299     | 1768       | 737      | 850      | 1018     | 1156     | 1356     | 1858       | 827      | 961      | 1149     | 1298     | 1534     | 2091       |
| 92+      | 745      | 862        | 1032     | 1168     | 1366     | 1879       | 766      | 886      | 1065     | 1214     | 1427     | 1976       | 863      | 1006     | 1206     | 1367     | 1619     | 2230       |

Coverage Enhancement Rider Benefit Period Premium Rates Preferred Rate Class, 90 Day Elimination Period Rates are per \$10 Facility Care Daily Benefit

|                     |                  | Facility Care Be<br>ne and Commu |                  | efit             |                  | acility Care B<br>ne and Comn |                  | Benefit          |                  | acility Care E<br>ne and Comr |                  | Benefit          |
|---------------------|------------------|----------------------------------|------------------|------------------|------------------|-------------------------------|------------------|------------------|------------------|-------------------------------|------------------|------------------|
| From:<br>To:<br>Age | 2 year<br>3 year | 3 year<br>4 year                 | 4 year<br>5 year | 5 year<br>8 year | 2 year<br>3 year | 3 year<br>4 year              | 4 year<br>5 year | 5 year<br>8 year | 2 year<br>3 year | 3 year<br>4 year              | 4 year<br>5 year | 5 year<br>8 year |
| 18-40               | 17               | 18                               | 18               | 22               | 17               | 19                            | 20               | 22               | 19               | 20                            | 22               | 25               |
| 41                  | 17               | 18                               | 18               | 22               | 17               | 19                            | 20               | 23               | 19               | 20                            | 22               | 25               |
| 42                  | 17               | 18                               | 18               | 22               | 17               | 19                            | 19               | 23               | 19               | 20                            | 22               | 25               |
| 43                  | 16               | 18                               | 18               | 22               | 17               | 19                            | 18               | 22               | 19               | 20                            | 21               | 24               |
| 44                  | 16               | 18                               | 17               | 21               | 16               | 18                            | 18               | 21               | 19               | 19                            | 20               | 24               |
| 45                  | 16               | 17                               | 16               | 20               | 15               | 18                            | 17               | 21               | 18               | 18                            | 19               | 23               |
| 46                  | 16               | 16                               | 16               | 20               | 15               | 17                            | 17               | 20               | 17               | 18                            | 18               | 23               |
| 47                  | 16               | 15                               | 15               | 19               | 15               | 16                            | 16               | 19               | 17               | 17                            | 17               | 23               |
| 48                  | 16               | 15                               | 15               | 19               | 15               | 16                            | 16               | 20               | 17               | 18                            | 17               | 23               |
| 49                  | 16               | 16                               | 16               | 19               | 15               | 16                            | 16               | 20               | 17               | 18                            | 17               | 23               |
| 50                  | 16               | 16                               | 16               | 19               | 15               | 16                            | 17               | 20               | 17               | 18                            | 17               | 23               |
| 51                  | 16               | 17                               | 16               | 19               | 15               | 16                            | 17               | 21               | 17               | 19                            | 17               | 23               |
| 52                  | 16               | 17                               | 16               | 19               | 15               | 16                            | 17               | 21               | 17               | 19                            | 17               | 23               |
| 53                  | 16               | 17                               | 16               | 19               | 15               | 16                            | 16               | 21               | 17               | 19                            | 17               | 23               |
| 54                  | 15               | 16                               | 15               | 19               | 15               | 16                            | 16               | 20               | 17               | 18                            | 17               | 23               |
| 55                  | 15               | 16                               | 15               | 19               | 15               | 16                            | 16               | 20               | 16               | 18                            | 16               | 23               |
| 56                  | 14               | 15                               | 15               | 19               | 14               | 16                            | 15               | 19               | 16               | 17                            | 16               | 22               |
| 57                  | 14               | 15                               | 14               | 19               | 14               | 16                            | 15               | 19               | 16               | 17                            | 15               | 21               |
| 58                  | 13               | 15                               | 14               | 18               | 13               | 16                            | 14               | 18               | 15               | 17                            | 15               | 21               |
| 59                  | 12               | 15                               | 13               | 17               | 13               | 16                            | 14               | 18               | 14               | 17                            | 15               | 20               |
| 60                  | 12               | 15                               | 13               | 17               | 12               | 15                            | 14               | 17               | 13               | 16                            | 14               | 20               |
| 61                  | 11               | 15                               | 12               | 16               | 12               | 15                            | 13               | 17               | 13               | 16                            | 14               | 19               |
| 62                  | 11               | 15                               | 13               | 16<br>17         | 12<br>12         | 15                            | 13               | 17<br>17         | 12               | 16                            | 14               | 19               |
| 63<br>64            | 11<br>12         | 16<br>18                         | 13<br>14         | 18               | 13               | 16<br>18                      | 14<br>15         | 17               | 13<br>14         | 18<br>20                      | 14<br>15         | 20<br>21         |
| 65                  | 13               | 20                               | 15               | 20               | 14               | 20                            | 16               | 20               | 15               | 20                            | 16               | 23               |
| 66                  | 14               | 22                               | 16               | 21               | 15               | 20                            | 17               | 22               | 16               | 24                            | 18               | 23               |
| 67                  | 15               | 24                               | 17               | 22               | 16               | 24                            | 18               | 23               | 17               | 27                            | 19               | 26               |
| 68                  | 17               | 26                               | 21               | 25               | 18               | 27                            | 22               | 26               | 19               | 30                            | 23               | 29               |
| 69                  | 18               | 29                               | 25               | 28               | 20               | 30                            | 26               | 30               | 22               | 33                            | 28               | 33               |
| 70                  | 20               | 32                               | 29               | 31               | 22               | 32                            | 30               | 33               | 24               | 36                            | 32               | 36               |
| 71                  | 22               | 34                               | 33               | 33               | 24               | 35                            | 34               | 36               | 26               | 39                            | 37               | 40               |
| 72                  | 24               | 37                               | 37               | 36               | 26               | 38                            | 38               | 39               | 29               | 42                            | 41               | 43               |
| 73                  | 28               | 41                               | 43               | 41               | 29               | 43                            | 45               | 44               | 33               | 47                            | 49               | 49               |
| 74                  | 31               | 46                               | 50               | 47               | 33               | 48                            | 52               | 50               | 37               | 53                            | 56               | 55               |
| 75                  | 35               | 50                               | 57               | 52               | 37               | 53                            | 59               | 56               | 41               | 58                            | 64               | 61               |
| 76                  | 38               | 55                               | 64               | 57               | 40               | 58                            | 66               | 61               | 45               | 64                            | 72               | 67               |
| 77                  | 42               | 60                               | 71               | 62               | 44               | 63                            | 74               | 67               | 49               | 69                            | 79               | 73               |
| 78                  | 47               | 66                               | 70               | 73               | 49               | 70                            | 73               | 78               | 54               | 76                            | 79               | 85               |
| 79                  | 51               | 73                               | 69               | 84               | 54               | 77                            | 72               | 89               | 60               | 84                            | 78               | 97               |
| 80                  | 56               | 79                               | 69               | 95               | 59               | 84                            | 71               | 100              | 66               | 91                            | 77               | 109              |
| 81                  | 61               | 86                               | 68               | 105              | 65               | 90                            | 70               | 112              | 71               | 98                            | 76               | 121              |
| 84                  | 80               | 116                              | 86               | 143              | 85               | 123                           | 89               | 152              | 105              | 134                           | 97               | 166              |
| 85                  | 89               | 128                              | 98               | 157              | 94               | 135                           | 103              | 167              | 115              | 148                           | 112              | 185              |
| 86<br>87            | 98<br>107        | 140<br>152                       | 111<br>123       | 170              | 103<br>112       | 147<br>159                    | 117<br>130       | 182<br>196       | 125<br>134       | 162<br>177                    | 127<br>142       | 204<br>223       |
| 88                  | 107<br>116       | 164                              | 136              | 184<br>198       | 121              | 172                           | 144              | 211              | 134              | 177                           | 158              | 223<br>242       |
| 89                  | 125              | 175                              | 148              | 212              | 130              | 184                           | 158              | 226              | 154              | 205                           | 173              | 261              |
| 90                  | 134              | 187                              | 160              | 226              | 139              | 196                           | 172              | 240              | 164              | 203                           | 188              | 280              |
| 91                  | 143              | 199                              | 173              | 240              | 148              | 208                           | 186              | 255              | 174              | 234                           | 203              | 298              |
| 92+                 | 152              | 211                              | 185              | 253              | 157              | 221                           | 200              | 270              | 183              | 249                           | 218              | 317              |
|                     |                  |                                  |                  |                  |                  |                               |                  |                  |                  |                               |                  |                  |

#### Coverage Enhancement Rider Elimination Period Factors Preferred Rate Class

| From: | 30 days | 60 days | 90 days | 180 days | 365 days |
|-------|---------|---------|---------|----------|----------|
| To:   | 7 days  | 30 days | 60 days | 90 days  | 180 days |
| Age   | , dayo  | oo aayo | oo aayo | oo aayo  | .oo aayo |
| 18-40 | 1.50    | 1.49    | 1.47    | 1.51     | 1.53     |
| 41    | 1.50    | 1.49    | 1.47    | 1.51     | 1.53     |
| 42    | 1.50    | 1.49    | 1.47    | 1.51     | 1.53     |
| 43    | 1.48    | 1.46    | 1.45    | 1.49     | 1.51     |
| 44    | 1.45    | 1.44    | 1.43    | 1.47     | 1.49     |
| 45    | 1.43    | 1.42    | 1.40    | 1.44     | 1.46     |
| 46    | 1.41    | 1.40    | 1.38    | 1.42     | 1.44     |
| 47    | 1.39    | 1.38    | 1.36    | 1.40     | 1.42     |
| 48    | 1.39    | 1.38    | 1.36    | 1.40     | 1.42     |
| 49    | 1.39    | 1.38    | 1.36    | 1.40     | 1.42     |
| 50    | 1.39    | 1.38    | 1.36    | 1.40     | 1.42     |
| 51    | 1.39    | 1.38    | 1.36    | 1.40     | 1.42     |
| 52    | 1.39    | 1.38    | 1.36    | 1.40     | 1.42     |
| 53    | 1.37    | 1.35    | 1.34    | 1.38     | 1.40     |
| 54    | 1.34    | 1.33    | 1.32    | 1.36     | 1.37     |
| 55    | 1.32    | 1.31    | 1.30    | 1.33     | 1.35     |
| 56    | 1.30    | 1.29    | 1.27    | 1.31     | 1.33     |
| 57    | 1.28    | 1.27    | 1.25    | 1.29     | 1.31     |
| 58    | 1.26    | 1.25    | 1.23    | 1.27     | 1.28     |
| 59    | 1.23    | 1.22    | 1.21    | 1.24     | 1.26     |
| 60    | 1.21    | 1.20    | 1.19    | 1.22     | 1.24     |
| 61    | 1.19    | 1.18    | 1.17    | 1.20     | 1.22     |
| 62    | 1.17    | 1.16    | 1.14    | 1.18     | 1.19     |
| 63    | 1.17    | 1.16    | 1.14    | 1.18     | 1.19     |
| 64    | 1.16    | 1.15    | 1.14    | 1.17     | 1.19     |
| 65    | 1.16    | 1.15    | 1.14    | 1.17     | 1.19     |
| 66    | 1.16    | 1.15    | 1.14    | 1.17     | 1.18     |
| 67    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 68    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 69    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 70    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 71    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 72    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 73    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 74    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 75    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 76    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 77    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 78    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 79    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 80    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 81    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 82    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 83    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 86    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 87    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 88    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 89    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 90    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 91    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 92+   | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
|       |         |         |         |          |          |

Base Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit
Daily Benefit range from \$50 - \$99

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age      | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   |
|----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| 18-40    | 40         | 43         | 47         | 50         | 55         | 64         | 41         | 45         | 49         | 51         | 57         | 67         | 46         | 51         | 53         | 57         | 62         | 74         |
| 41       | 40         | 43         | 47         | 50         | 55         | 64         | 41         | 45         | 49         | 52         | 58         | 67         | 46         | 51         | 53         | 57         | 63         | 74         |
| 42       | 40         | 43         | 48         | 51         | 56         | 65         | 41         | 45         | 50         | 52         | 58         | 68         | 46         | 51         | 54         | 58         | 63         | 75         |
| 43       | 41         | 45         | 49         | 52         | 57         | 67         | 42         | 46         | 51         | 53         | 59         | 69         | 47         | 52         | 55         | 59         | 65         | 76         |
| 44       | 42         | 46         | 50         | 53         | 58         | 68         | 43         | 47         | 52         | 54         | 60         | 71         | 48         | 53         | 56         | 60         | 66         | 78         |
| 45       | 43         | 48         | 51         | 54         | 59         | 69         | 44         | 48         | 53         | 55         | 61         | 72         | 49         | 54         | 57         | 61         | 67         | 79         |
| 46       | 44         | 49         | 52         | 55         | 60         | 71         | 45         | 49         | 54         | 56         | 62         | 74         | 50         | 55         | 59         | 62         | 68         | 80         |
| 47       | 45         | 51         | 53         | 56         | 61         | 72         | 47         | 50         | 55         | 57         | 63         | 75         | 51         | 57         | 60         | 63         | 70         | 82         |
| 48       | 46         | 51         | 54         | 57         | 62         | 74         | 47         | 51         | 56         | 58         | 63         | 77         | 52         | 57         | 61         | 64         | 70         | 84         |
| 49       | 46         | 52         | 55         | 58         | 63         | 76         | 48         | 52         | 56         | 59         | 64         | 78         | 52         | 57         | 61         | 64         | 71         | 85         |
| 50       | 47         | 52         | 55         | 58         | 63         | 78         | 48         | 53         | 57         | 60         | 65         | 80         | 53         | 58         | 62         | 65         | 72         | 87         |
| 51       | 48         | 53         | 56         | 59         | 64         | 79         | 49         | 54         | 57         | 60         | 66         | 82         | 54         | 58         | 63         | 65         | 73         | 89         |
| 52       | 49         | 54         | 57         | 60         | 65         | 81         | 50         | 54         | 58         | 61         | 67         | 83         | 55         | 58         | 64         | 66         | 74         | 91         |
| 53       | 50         | 55         | 60         | 63         | 68         | 85         | 51         | 56         | 61         | 64         | 70         | 87         | 57         | 61         | 66         | 69         | 77         | 95         |
| 54       | 52         | 57         | 62         | 66         | 72         | 89         | 53         | 58         | 63         | 67         | 74         | 91         | 58         | 63         | 69         | 72         | 81         | 99         |
| 55       | 54         | 59         | 64         | 68         | 75         | 94         | 55         | 60         | 66         | 70         | 77         | 95         | 60         | 65         | 72         | 75         | 85         | 104        |
| 56       | 56         | 61         | 67         | 71         | 79         | 98         | 57         | 62         | 68         | 73         | 80         | 100        | 62         | 67         | 74         | 79         | 88         | 108        |
| 57       | 58         | 63         | 69         | 74         | 82         | 102        | 58         | 63         | 71         | 76         | 84         | 104        | 64         | 70         | 77         | 82         | 92         | 112        |
| 58       | 62         | 67         | 75         | 80         | 89         | 110        | 63         | 68         | 77         | 82         | 91         | 113        | 69         | 75         | 84         | 89         | 99         | 122        |
| 59       | 67         | 72<br>70   | 81         | 86         | 96         | 119        | 67         | 73         | 83         | 89         | 98         | 122        | 74         | 80         | 90         | 95         | 107        | 132        |
| 60       | 71         | 76         | 87         | 92         | 102        | 128        | 72         | 78         | 88         | 95         | 105        | 132        | 79         | 85         | 97         | 102        | 114        | 143        |
| 61       | 76         | 81         | 92         | 98         | 109        | 136        | 76         | 83         | 94         | 101        | 112        | 141        | 84         | 90         | 103        | 109        | 122        | 153        |
| 62       | 80         | 86         | 98         | 105        | 116        | 145        | 81         | 87         | 100        | 108        | 119        | 150        | 89         | 95         | 109        | 116        | 129        | 163        |
| 63       | 88         | 94         | 108        | 116        | 128        | 160        | 89         | 96         | 110<br>119 | 119<br>131 | 132        | 166        | 97         | 104        | 120        | 129        | 143<br>157 | 180        |
| 64       | 95         | 103        | 117        | 127        | 140        | 175        | 96         | 105        |            |            | 145        | 181        | 105        | 114        | 130        | 141        |            | 197        |
| 65       | 103        | 111        | 126        | 139        | 152        | 191        | 104        | 113        | 129        | 142        | 159        | 197        | 114        | 123        | 141        | 154        | 170        | 214        |
| 66       | 111        | 120        | 136        | 150        | 165        | 206        | 112        | 122        | 138        | 154        | 172<br>185 | 212<br>228 | 122        | 133        | 151        | 167        | 184        | 231<br>248 |
| 67       | 118        | 128        | 145        | 161        | 177        | 221        | 120        | 131        | 148        | 165        |            | 257        | 130        | 142        | 162        | 180        | 198        |            |
| 68<br>69 | 135<br>151 | 145<br>163 | 164<br>182 | 184<br>207 | 202<br>227 | 249<br>277 | 137<br>153 | 149<br>166 | 168<br>187 | 189<br>213 | 211<br>236 | 287        | 148<br>167 | 162<br>181 | 183<br>204 | 205<br>231 | 227<br>255 | 281<br>313 |
| 70       | 167        | 180        | 201        | 230        | 252        | 305        | 170        | 184        | 207        | 236        | 262        | 316        | 185        | 201        | 204        | 257        | 284        | 345        |
| 71       | 183        | 197        | 219        | 252        | 277        | 333        | 186        | 202        | 227        | 260        | 287        | 346        | 203        | 220        | 246        | 283        | 313        | 377        |
| 72       | 199        | 214        | 238        | 275        | 302        | 360        | 203        | 220        | 247        | 284        | 313        | 375        | 203        | 239        | 267        | 309        | 342        | 409        |
| 73       | 226        | 243        | 271        | 314        | 344        | 409        | 230        | 250        | 280        | 324        | 357        | 426        | 251        | 272        | 302        | 352        | 390        | 464        |
| 74       | 253        | 272        | 303        | 352        | 387        | 457        | 258        | 279        | 314        | 363        | 401        | 476        | 281        | 304        | 337        | 395        | 438        | 519        |
| 75       | 280        | 301        | 336        | 391        | 430        | 505        | 286        | 309        | 347        | 403        | 446        | 526        | 312        | 337        | 373        | 439        | 486        | 574        |
| 76       | 307        | 330        | 369        | 429        | 472        | 553        | 313        | 339        | 381        | 443        | 490        | 577        | 342        | 369        | 408        | 482        | 533        | 628        |
| 77       | 334        | 359        | 401        | 468        | 515        | 602        | 341        | 369        | 414        | 483        | 534        | 627        | 372        | 402        | 443        | 526        | 581        | 683        |
| 78       | 376        | 403        | 446        | 511        | 564        | 660        | 384        | 413        | 460        | 527        | 585        | 688        | 419        | 450        | 495        | 574        | 642        | 749        |
| 79       | 419        | 446        | 491        | 554        | 614        | 718        | 427        | 458        | 506        | 571        | 636        | 749        | 466        | 499        | 546        | 622        | 703        | 816        |
| 80       | 461        | 490        | 535        | 597        | 663        | 777        | 471        | 502        | 552        | 615        | 687        | 810        | 513        | 548        | 598        | 670        | 764        | 882        |
| 81       | 504        | 533        | 580        | 640        | 712        | 835        | 514        | 547        | 597        | 659        | 738        | 870        | 560        | 596        | 650        | 719        | 825        | 948        |
| 82       | 547        | 577        | 624        | 682        | 762        | 894        | 558        | 591        | 643        | 703        | 789        | 931        | 607        | 645        | 701        | 767        | 886        | 1,015      |
| 83       | 601        | 636        | 690        | 757        | 845        | 991        | 614        | 652        | 711        | 780        | 876        | 1,035      | 655        | 711        | 776        | 850        | 983        | 1,127      |
| 84       | 663        | 700        | 763        | 839        | 937        | 1,099      | 677        | 719        | 787        | 865        | 971        | 1,148      | 721        | 783        | 857        | 943        | 1,091      | 1,252      |
| 04       | 000        | 700        | , 00       | 000        | 301        | 1,000      | 011        | , 10       | 101        | 000        | 57.1       | 1,170      | 121        | 700        | 001        | 540        | 1,001      | 1,202      |

Base Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit
Daily Benefit range from \$100 - \$500

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age   | 2 year | 3 year | 4 year | 5 year | 8 year | Lifetime | 2 year | 3 year | 4 year | 5 year | 8 year | Lifetime | 2 year | 3 year | 4 year | 5 year | 8 year | Lifetime |
|-------|--------|--------|--------|--------|--------|----------|--------|--------|--------|--------|--------|----------|--------|--------|--------|--------|--------|----------|
| 18-40 | 32     | 36     | 40     | 42     | 47     | 57       | 33     | 37     | 41     | 44     | 49     | 60       | 37     | 41     | 45     | 49     | 54     | 66       |
| 41    | 32     | 36     | 40     | 42     | 47     | 57       | 33     | 37     | 41     | 45     | 50     | 60       | 37     | 41     | 45     | 49     | 55     | 66       |
| 42    | 32     | 36     | 41     | 43     | 48     | 58       | 33     | 37     | 42     | 45     | 50     | 61       | 37     | 42     | 46     | 50     | 55     | 67       |
| 43    | 33     | 37     | 42     | 44     | 49     | 60       | 34     | 38     | 43     | 45     | 51     | 62       | 38     | 43     | 47     | 50     | 56     | 68       |
| 44    | 34     | 38     | 42     | 45     | 50     | 61       | 35     | 39     | 44     | 46     | 51     | 63       | 39     | 44     | 48     | 51     | 57     | 69       |
| 45    | 35     | 39     | 43     | 46     | 51     | 62       | 36     | 39     | 45     | 47     | 52     | 64       | 40     | 44     | 48     | 52     | 58     | 71       |
| 46    | 36     | 40     | 44     | 47     | 52     | 63       | 37     | 40     | 45     | 48     | 53     | 66       | 40     | 45     | 49     | 53     | 59     | 72       |
| 47    | 36     | 41     | 44     | 47     | 53     | 64       | 38     | 41     | 46     | 49     | 54     | 67       | 41     | 46     | 50     | 53     | 60     | 73       |
| 48    | 37     | 42     | 45     | 48     | 54     | 66       | 38     | 42     | 47     | 49     | 55     | 68       | 42     | 47     | 51     | 54     | 61     | 75       |
| 49    | 37     | 43     | 46     | 49     | 54     | 68       | 38     | 43     | 47     | 50     | 56     | 70       | 42     | 47     | 52     | 55     | 62     | 77       |
| 50    | 38     | 43     | 47     | 50     | 55     | 70       | 39     | 44     | 48     | 51     | 56     | 72       | 43     | 48     | 52     | 55     | 62     | 78       |
| 51    | 39     | 44     | 47     | 51     | 56     | 71       | 39     | 45     | 48     | 51     | 57     | 73       | 43     | 48     | 53     | 56     | 63     | 80       |
| 52    | 39     | 45     | 48     | 51     | 56     | 73       | 40     | 45     | 49     | 52     | 58     | 75       | 44     | 49     | 54     | 57     | 64     | 82       |
| 53    | 41     | 46     | 50     | 54     | 59     | 77       | 41     | 47     | 51     | 54     | 61     | 78       | 45     | 50     | 56     | 59     | 67     | 85       |
| 54    | 42     | 47     | 52     | 56     | 62     | 80       | 43     | 48     | 53     | 57     | 63     | 82       | 47     | 52     | 58     | 61     | 70     | 89       |
| 55    | 43     | 49     | 54     | 58     | 64     | 84       | 44     | 50     | 55     | 59     | 66     | 85       | 48     | 54     | 60     | 64     | 72     | 93       |
| 56    | 45     | 50     | 56     | 60     | 67     | 87       | 45     | 51     | 57     | 61     | 68     | 89       | 50     | 56     | 62     | 66     | 75     | 96       |
| 57    | 46     | 52     | 57     | 62     | 69     | 91       | 47     | 52     | 59     | 64     | 71     | 93       | 51     | 58     | 64     | 69     | 78     | 100      |
| 58    | 50     | 55     | 62     | 67     | 75     | 98       | 50     | 56     | 64     | 69     | 77     | 100      | 55     | 62     | 69     | 74     | 84     | 108      |
| 59    | 53     | 59     | 66     | 72     | 80     | 105      | 54     | 60     | 68     | 74     | 82     | 108      | 59     | 66     | 74     | 79     | 90     | 117      |
| 60    | 57     | 63     | 71     | 77     | 86     | 112      | 57     | 64     | 72     | 79     | 88     | 115      | 63     | 70     | 79     | 85     | 96     | 125      |
| 61    | 60     | 66     | 75     | 82     | 91     | 119      | 61     | 68     | 77     | 84     | 93     | 123      | 67     | 74     | 84     | 90     | 102    | 133      |
| 62    | 64     | 70     | 80     | 86     | 97     | 126      | 64     | 72     | 81     | 89     | 99     | 131      | 71     | 78     | 89     | 96     | 108    | 142      |
| 63    | 70     | 77     | 88     | 95     | 106    | 139      | 70     | 78     | 90     | 98     | 110    | 144      | 77     | 85     | 98     | 106    | 119    | 156      |
| 64    | 76     | 83     | 96     | 104    | 116    | 152      | 76     | 85     | 98     | 107    | 121    | 158      | 84     | 93     | 107    | 116    | 130    | 171      |
| 65    | 82     | 90     | 105    | 113    | 126    | 166      | 83     | 92     | 106    | 116    | 131    | 171      | 90     | 100    | 116    | 126    | 141    | 186      |
| 66    | 88     | 97     | 113    | 122    | 136    | 179      | 89     | 99     | 115    | 125    | 142    | 185      | 97     | 107    | 126    | 136    | 152    | 201      |
| 67    | 94     | 103    | 121    | 131    | 146    | 192      | 95     | 106    | 123    | 134    | 153    | 198      | 103    | 115    | 135    | 146    | 164    | 216      |
| 68    | 106    | 117    | 136    | 150    | 166    | 216      | 108    | 120    | 140    | 154    | 174    | 223      | 117    | 130    | 152    | 167    | 187    | 243      |
| 69    | 119    | 131    | 152    | 168    | 187    | 239      | 121    | 134    | 156    | 173    | 194    | 247      | 131    | 146    | 170    | 188    | 210    | 270      |
| 70    | 131    | 144    | 167    | 187    | 207    | 262      | 133    | 148    | 173    | 192    | 215    | 272      | 145    | 161    | 187    | 209    | 234    | 296      |
| 71    | 143    | 158    | 183    | 205    | 227    | 285      | 146    | 162    | 189    | 211    | 236    | 296      | 159    | 176    | 205    | 230    | 257    | 323      |
| 72    | 155    | 172    | 198    | 224    | 247    | 308      | 159    | 176    | 206    | 231    | 257    | 321      | 173    | 192    | 222    | 251    | 280    | 350      |
| 73    | 176    | 194    | 226    | 255    | 282    | 349      | 179    | 199    | 234    | 263    | 293    | 364      | 195    | 217    | 252    | 286    | 319    | 397      |
| 74    | 196    | 217    | 253    | 286    | 317    | 390      | 200    | 222    | 262    | 296    | 329    | 407      | 218    | 242    | 281    | 321    | 359    | 443      |
| 75    | 216    | 240    | 280    | 318    | 352    | 432      | 221    | 246    | 290    | 328    | 365    | 450      | 241    | 268    | 311    | 357    | 398    | 490      |
| 76    | 236    | 262    | 307    | 349    | 387    | 473      | 241    | 269    | 317    | 361    | 402    | 493      | 264    | 293    | 340    | 392    | 437    | 537      |
| 77    | 257    | 285    | 334    | 380    | 422    | 514      | 262    | 293    | 345    | 393    | 438    | 536      | 286    | 319    | 369    | 427    | 477    | 584      |
| 78    | 288    | 319    | 372    | 416    | 462    | 564      | 293    | 327    | 383    | 430    | 480    | 588      | 320    | 357    | 412    | 468    | 526    | 640      |
| 79    | 318    | 353    | 409    | 452    | 503    | 614      | 325    | 362    | 422    | 466    | 521    | 640      | 354    | 395    | 455    | 508    | 576    | 697      |
| 80    | 349    | 387    | 446    | 488    | 543    | 664      | 356    | 396    | 460    | 503    | 563    | 692      | 388    | 432    | 498    | 548    | 626    | 754      |
| 81    | 380    | 420    | 483    | 524    | 584    | 714      | 388    | 431    | 498    | 540    | 605    | 744      | 422    | 470    | 541    | 588    | 676    | 810      |
| 82    | 411    | 454    | 520    | 559    | 625    | 764      | 419    | 466    | 536    | 576    | 647    | 796      | 456    | 508    | 584    | 629    | 726    | 867      |
| 83    | 452    | 501    | 575    | 621    | 693    | 847      | 462    | 513    | 593    | 640    | 718    | 884      | 493    | 560    | 646    | 697    | 805    | 963      |
| 84    | 499    | 551    | 636    | 688    | 768    | 939      | 509    | 566    | 656    | 709    | 796    | 981      | 542    | 616    | 714    | 773    | 894    | 1,070    |
| 341   | 100    | 001    | 000    | 000    | , 55   | 555      | 000    | 000    | 000    | , 00   | , 55   | 001      | 012    | 010    | 7.1-7  | ,,,    | 00-r   | 1,070    |

#### Generation Protector 2 (Proposed)

#### **Rider Premium Rates and Premium Factors**

| Factors applied to b | ase premium rat | es           |              |              |                  |              |              |              |               |                |              |                                   |                        |              |
|----------------------|-----------------|--------------|--------------|--------------|------------------|--------------|--------------|--------------|---------------|----------------|--------------|-----------------------------------|------------------------|--------------|
| Rate Increase        | 80%             | 70%          | 50%          | 50%          | 50%<br><b>5%</b> | 0%           | 0%           | 0%           | 0%            | 0%<br>Full     | 0%           |                                   |                        |              |
|                      | 5%              | 4%           | 3%           | 5%           | Compound         |              |              |              | Return of     | Return of      |              |                                   |                        |              |
|                      | Compound        | Compound     | Compound     | Simple       | COLA             |              | Paid-up      |              | Premium       | Premium        | Spousal      | Benefit                           | Restoration            |              |
| Age                  | COLA            | COLA         | COLA         | COLA         | w/ 2x Cap        | 10-pay       | at age 65    | SBP          | Upon Death    | Upon Death     | Survivorship | Period                            | of Benefits            |              |
| 18-40                | 4.79            | 3.84         | 2.78         | 2.69         | 2.40             | 3.72         | 1.75         | 1.20         | 1.30          | 1.49           | 1.12         | 2 year                            | 1.08                   |              |
| 41                   | 4.79            | 3.84         | 2.78         | 2.69         | 2.40             | 3.72         | 1.75         | 1.20         | 1.30          | 1.49           | 1.12         | 3 year                            | 1.05                   |              |
| 42<br>43             | 4.79<br>4.77    | 3.84<br>3.83 | 2.78<br>2.78 | 2.69<br>2.69 | 2.40<br>2.40     | 3.72<br>3.63 | 1.75<br>1.78 | 1.20<br>1.20 | 1.30<br>1.32  | 1.49<br>1.51   | 1.12<br>1.12 | 4 year<br>5 year                  | 1.04<br>1.04           |              |
| 44                   | 4.77            | 3.81         | 2.78         | 2.69         | 2.40             | 3.53         | 1.80         | 1.20         | 1.34          | 1.53           | 1.12         | 8 year                            | 1.04                   |              |
| 45                   | 4.73            | 3.81         | 2.78         | 2.70         | 2.40             | 3.44         | 1.83         | 1.21         | 1.35          | 1.56           | 1.12         | Lifetime                          | N / A                  |              |
| 46                   | 4.72            | 3.79         | 2.78         | 2.70         | 2.40             | 3.34         | 1.85         | 1.21         | 1.37          | 1.58           | 1.12         |                                   |                        |              |
| 47                   | 4.70            | 3.77         | 2.78         | 2.70         | 2.40             | 3.25         | 1.88         | 1.21         | 1.39          | 1.60           | 1.12         |                                   | Spousal                | Spousal      |
| 48                   | 4.66            | 3.76         | 2.78         | 2.69         | 2.40             | 3.18         | 1.95         | 1.21         | 1.41          | 1.62           | 1.12         |                                   | Shared Care            | Shared Care  |
| 49                   | 4.63            | 3.74         | 2.78         | 2.69         | 2.40             | 3.10         | 2.03         | 1.22         | 1.43          | 1.65           | 1.12         | Benefit                           | (with no               | (with 1 yr   |
| 50<br>51             | 4.61            | 3.74<br>3.72 | 2.76<br>2.76 | 2.67         | 2.40             | 3.03<br>2.95 | 2.10         | 1.22<br>1.22 | 1.45          | 1.67           | 1.12         | Period                            | residual)              | residual)    |
| 52                   | 4.57<br>4.54    | 3.72<br>3.71 | 2.76         | 2.67<br>2.66 | 2.40<br>2.40     | 2.95         | 2.18<br>2.25 | 1.22         | 1.47<br>1.49  | 1.70<br>1.72   | 1.12<br>1.12 | 2 year                            | 1.21<br>1.14           | 1.12<br>1.11 |
| 53                   | 4.43            | 3.64         | 2.76         | 2.64         | 2.40             | 2.81         | 2.25         | 1.23         | 1.52          | 1.76           | 1.12         | 3 year<br>4 year                  | 1.09                   | 1.08         |
| 54                   | 4.32            | 3.55         | 2.67         | 2.63         | 2.40             | 2.74         | 2.52         | 1.23         | 1.56          | 1.80           | 1.12         | 5 year                            | 1.06                   | 1.05         |
| 55                   | 4.19            | 3.49         | 2.64         | 2.61         | 2.40             | 2.66         | -            | 1.23         | 1.59          | 1.84           | 1.12         | 8 year                            | 1.02                   | 1.02         |
| 56                   | 4.09            | 3.40         | 2.60         | 2.60         | 2.40             | 2.59         | -            | 1.23         | 1.62          | 1.89           | 1.11         | Lifetime                          | N / A                  | N/A          |
| 57                   | 3.98            | 3.33         | 2.55         | 2.58         | 2.40             | 2.52         | -            | 1.24         | 1.66          | 1.93           | 1.11         |                                   |                        |              |
| 58                   | 3.92            | 3.30         | 2.52         | 2.57         | 2.40             | 2.45         | -            | 1.24         | 1.69          | 1.97           | 1.11         |                                   | enefits and Shared Car |              |
| 59                   | 3.87            | 3.25         | 2.49         | 2.55         | 2.39             | 2.37         | -            | 1.24         | 1.73          | 2.01           | 1.11         | not available with                | Lifetime benefit perio | d option.    |
| 60<br>61             | 3.83<br>3.78    | 3.21         | 2.46<br>2.43 | 2.55<br>2.54 | 2.39<br>2.37     | 2.30<br>2.22 | -            | 1.24         | 1.76<br>1.79  | 2.05<br>2.10   | 1.11         | HOO Marriella Da                  |                        | 4.00         |
| 62                   | 3.78            | 3.16<br>3.13 | 2.43         | 2.54         | 2.37             | 2.22         | -            | 1.25<br>1.25 | 1.79          | 2.10           | 1.11<br>1.11 | HCC Monthly Be<br>Spousal Waiver  |                        | 1.06<br>1.03 |
| 63                   | 3.65            | 3.08         | 2.40         | 2.32         | 2.36             | 2.13         |              | 1.25         | 1.90          | 2.23           | 1.11         | HCC Calendar D                    |                        | 1.02         |
| 64                   | 3.58            | 3.03         | 2.34         | 2.46         | 2.34             | 2.02         | -            | 1.25         | 1.98          | 2.33           | 1.11         | Waiver of HCC E                   |                        | 1.12         |
| 65                   | 3.49            | 2.96         | 2.31         | 2.45         | 2.34             | 1.95         | -            | 1.26         | 2.06          | 2.43           | 1.11         |                                   | ==                     | =            |
| 66                   | 3.42            | 2.91         | 2.28         | 2.42         | 2.33             | 1.89         | -            | 1.26         | 2.14          | 2.53           | 1.10         | Monthly Indemn                    | ity Benefit            |              |
| 67                   | 3.35            | 2.86         | 2.25         | 2.39         | 2.31             | 1.82         | -            | 1.26         | 2.23          | 2.64           | 1.10         | 10%                               |                        | 1.04         |
| 68                   | 3.28            | 2.81         | 2.22         | 2.36         | 2.30             | 1.76         | -            | 1.26         | 2.36          | 2.81           | 1.10         | 25%                               |                        | 1.10         |
| 69                   | 3.20            | 2.75         | 2.19         | 2.33         | 2.28             | 1.71         | -            | 1.27         | 2.50          | 3.00           | 1.10         | 50%                               |                        | 1.23         |
| 70<br>71             | 3.13<br>3.06    | 2.70<br>2.65 | 2.16<br>2.13 | 2.31<br>2.28 | 2.27<br>2.25     | 1.65<br>1.60 | -            | 1.27<br>1.27 | 2.65<br>2.80  | 3.19<br>3.40   | 1.09<br>1.08 | 100% (age < 60)<br>100% (age 60+) |                        | 2.57<br>2.23 |
| 72                   | 2.99            | 2.60         | 2.10         | 2.25         | 2.24             | 1.54         |              | 1.27         | 2.97          | 3.62           | 1.07         | 100 % (age 60+)                   |                        | 2.23         |
| 73                   | 2.93            | 2.57         | 2.09         | 2.22         | 2.22             | 1.48         | _            | 1.28         | 3.54          | 4.54           | 1.06         | Elimination Peri                  | od Factors             |              |
| 74                   | 2.88            | 2.53         | 2.06         | 2.21         | 2.21             | 1.42         | -            | 1.28         | 4.23          | 5.71           | 1.05         | 7 Day                             |                        | 1.30         |
| 75                   | 2.83            | 2.48         | 2.04         | 2.18         | 2.18             | 1.37         | -            | 1.28         | 5.06          | 7.21           | 1.04         | 30 Day                            |                        | 1.18         |
| 76                   | 2.77            | 2.45         | 2.01         | 2.16         | 2.16             | 1.31         | -            | 1.28         | 5.82          | 9.15           | 1.03         | 60 Day                            |                        | 1.08         |
| 77                   | 2.72            | 2.41         | 2.00         | 2.13         | 2.15             | 1.25         | -            | 1.29         | 6.07          | 11.66          | 1.02         | 90 Day                            |                        | 1.00         |
| 78                   | 2.68            | 2.38         | 1.98         | 2.12         | 2.13             | 1.22         | -            | 1.29         | 7.28          | 13.99          | 1.02         | 180 Day                           |                        | 0.90         |
| 79<br>80             | 2.63<br>2.59    | 2.35<br>2.33 | 1.95<br>1.94 | 2.10<br>2.07 | 2.12<br>2.10     | 1.19<br>1.16 | -            | 1.29<br>1.29 | 8.74<br>10.48 | 16.79<br>20.15 | 1.02<br>1.02 | 365 Day                           |                        | 0.80         |
| 80                   | 2.59            | 2.33         | 1.94         | 2.07         | 2.10             | 1.16         | -            | 1.30         | 10.48         | 20.15          | 1.02         | Risk Class Facto                  | aro.                   |              |
| 82                   | 2.50            | 2.26         | 1.89         | 2.00         | 2.07             | 1.10         |              | 1.30         | 10.48         | 20.15          | 1.02         | Preferred Plus                    | 015                    | 0.85         |
| 83                   | 2.47            | 2.23         | 1.88         | 2.03         | 2.04             | 1.09         | _            | 1.30         | 10.48         | 20.15          | 1.02         | Preferred                         |                        | 1.00         |
| 84                   | 2.43            | 2.21         | 1.86         | 2.01         | 2.01             | 1.08         | -            | 1.30         | 10.48         | 20.15          | 1.02         | Standard                          |                        | 1.20         |
| 85                   | 2.41            | 2.19         | 1.85         | 1.98         | 2.00             | 0            | 0            | 1.30         | 10.48         | 20.15          | 1.02         | Select I                          |                        | 1.50         |
| 88                   | 2.32            | 2.13         | 1.80         | 1.92         | 1.94             | -            | -            | 1.30         | 10.48         | 20.15          | 1.02         | Select IV                         |                        | 3.00         |
| 89                   | 2.30            | 2.09         | 1.77         | 1.89         | 1.92             | -            | -            | 1.30         | 10.48         | 20.15          | 1.02         |                                   |                        |              |
| 90                   | 2.27            | 2.07         | 1.76         | 1.86         | 1.89             | -            | -            | 1.30         | 10.48         | 20.15          | 1.02         | Discount Factor                   | S                      |              |
| 91                   | 2.25            | 2.04         | 1.74         | 1.85         | 1.88             | -            | -            | 1.30         | 10.48         | 20.15          | 1.02         | Married                           |                        | 0.90         |
| 92+                  | 2.21            | 2.02         | 1.73         | 1.82         | 1.85             | -            | -            | 1.30         | 10.48         | 20.15          | 1.02         | Spousal<br>Facility Care Only     | , Endersoment          | 0.70<br>0.90 |
|                      |                 |              |              |              |                  |              |              |              |               |                |              | racility Gare Only                | LINGISEITIETIL         | 0.90         |

Coverage Enhancement Rider
Daily Benefit Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age      | 2 year   | 3 year     | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   |
|----------|----------|------------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|
| 18-40    | 44       | 49         | 54       | 57       | 64       | 78         | 45       | 50       | 56       | 61       | 67       | 82         | 50       | 56       | 61       | 67       | 73       | 90         |
| 41       | 44       | 49         | 54       | 57       | 64       | 78         | 45       | 50       | 56       | 61       | 68       | 82         | 50       | 56       | 61       | 67       | 75       | 90         |
| 42       | 44       | 49         | 56       | 59       | 66       | 79         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 57       | 62       | 67       | 74       | 91         |
| 43       | 44       | 50         | 56       | 59       | 66       | 80         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 57       | 63       | 67       | 75       | 91         |
| 44       | 45       | 50         | 56       | 59       | 66       | 80         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 58       | 63       | 67       | 75       | 91         |
| 45       | 45       | 51         | 56       | 59       | 66       | 80         | 47       | 51       | 57       | 61       | 68       | 84         | 51       | 58       | 63       | 67       | 75       | 92         |
| 46       | 45       | 51         | 56       | 60       | 66       | 81         | 47       | 51       | 57       | 61       | 68       | 84         | 52       | 58       | 63       | 67       | 75       | 92         |
| 47       | 46       | 52         | 56       | 60       | 67       | 81         | 47       | 52       | 57       | 61       | 68       | 84         | 52       | 58       | 63       | 67       | 76       | 92         |
| 48       | 47       | 53         | 57       | 61       | 67       | 83         | 48       | 53       | 58       | 62       | 69       | 86         | 53       | 59       | 64       | 68       | 77       | 94         |
| 49       | 48       | 54         | 58       | 62       | 68       | 86         | 49       | 54       | 59       | 63       | 70       | 88         | 53       | 59       | 65       | 69       | 78       | 96         |
| 50       | 49       | 55         | 59       | 63       | 69       | 88         | 50       | 55       | 60       | 64       | 71       | 90         | 54       | 60       | 66       | 70       | 79       | 99         |
| 51       | 50       | 55         | 61       | 64       | 70       | 90         | 51       | 56       | 61       | 65       | 72       | 92         | 55       | 61       | 67       | 70       | 80       | 101        |
| 52       | 50       | 56         | 62       | 65       | 71       | 92         | 51       | 57       | 61       | 66       | 73       | 94         | 56       | 61       | 68       | 71       | 81       | 103        |
| 53       | 51       | 57         | 63       | 66       | 73       | 95         | 52       | 58       | 63       | 67       | 75       | 97         | 56       | 62       | 69       | 73       | 83       | 106        |
| 54       | 52       | 58         | 64       | 68       | 75<br>77 | 97         | 53       | 59       | 64       | 69       | 77<br>70 | 100        | 57       | 63       | 70       | 75<br>76 | 85       | 108        |
| 55       | 52       | 59<br>50   | 65<br>66 | 69       | 77<br>70 | 100        | 53       | 59       | 66<br>67 | 71<br>72 | 79       | 102        | 58<br>50 | 65<br>66 | 72<br>73 | 76       | 86       | 111        |
| 56       | 53       | 59         | 66       | 71       | 79       | 103        | 54       | 60       | 67       |          | 81       | 105        | 59       | 66       | 73<br>75 | 78       | 88       | 113        |
| 57<br>58 | 54<br>57 | 60<br>63   | 67<br>70 | 72<br>76 | 81<br>85 | 105<br>111 | 55<br>57 | 61<br>64 | 69<br>72 | 74<br>78 | 82<br>87 | 107<br>114 | 59<br>62 | 67<br>70 | 75<br>78 | 80<br>84 | 90<br>95 | 116<br>123 |
| 59       | 59       | 66         | 70<br>74 | 80       | 89       | 117        | 60       | 67       | 72<br>76 | 82       | 91       | 120        | 66       | 73       | 82       | 88       | 100      | 130        |
| 60       | 62       | 69         | 74<br>78 | 84       | 94       | 122        | 63       | 70       | 76<br>79 | 86       | 96       | 126        | 69       | 76       | 86       | 93       | 105      | 136        |
| 61       | 65       | 71         | 81       | 88       | 98       | 128        | 66       | 73       | 83       | 90       | 100      | 132        | 72       | 70<br>79 | 90       | 97       | 109      | 143        |
| 62       | 68       | 74         | 85       | 92       | 102      | 133        | 68       | 76       | 86       | 94       | 105      | 139        | 75       | 82       | 93       | 101      | 114      | 150        |
| 63       | 74       | 81         | 93       | 101      | 113      | 147        | 75       | 83       | 95       | 104      | 116      | 152        | 82       | 90       | 103      | 112      | 126      | 165        |
| 64       | 80       | 88         | 102      | 110      | 123      | 161        | 81       | 90       | 103      | 113      | 126      | 166        | 88       | 98       | 113      | 122      | 137      | 181        |
| 65       | 86       | 95         | 110      | 119      | 133      | 175        | 87       | 97       | 112      | 122      | 137      | 180        | 95       | 105      | 122      | 133      | 149      | 196        |
| 66       | 93       | 102        | 119      | 129      | 143      | 188        | 94       | 104      | 121      | 132      | 147      | 194        | 102      | 113      | 132      | 143      | 160      | 211        |
| 67       | 99       | 109        | 127      | 138      | 153      | 202        | 100      | 111      | 129      | 141      | 158      | 208        | 109      | 121      | 141      | 153      | 172      | 227        |
| 68       | 112      | 123        | 143      | 157      | 175      | 226        | 113      | 126      | 146      | 161      | 180      | 234        | 123      | 137      | 160      | 175      | 196      | 255        |
| 69       | 125      | 137        | 160      | 177      | 196      | 251        | 127      | 140      | 163      | 182      | 202      | 259        | 138      | 153      | 178      | 197      | 221      | 283        |
| 70       | 138      | 152        | 176      | 196      | 217      | 275        | 140      | 155      | 180      | 202      | 225      | 285        | 152      | 169      | 197      | 219      | 245      | 311        |
| 71       | 151      | 166        | 192      | 215      | 239      | 299        | 153      | 170      | 197      | 222      | 247      | 311        | 167      | 185      | 215      | 241      | 270      | 339        |
| 72       | 164      | 180        | 208      | 235      | 260      | 323        | 167      | 185      | 214      | 242      | 269      | 337        | 181      | 201      | 233      | 263      | 294      | 367        |
| 73       | 185      | 204        | 236      | 268      | 296      | 367        | 189      | 209      | 242      | 276      | 307      | 382        | 205      | 228      | 264      | 300      | 335      | 417        |
| 74       | 206      | 228        | 263      | 301      | 333      | 410        | 211      | 234      | 271      | 310      | 345      | 427        | 229      | 255      | 295      | 338      | 377      | 466        |
| 75       | 228      | 252        | 290      | 334      | 370      | 453        | 233      | 258      | 299      | 344      | 384      | 472        | 253      | 281      | 326      | 375      | 418      | 515        |
| 76       | 249      | 276        | 317      | 367      | 406      | 497        | 254      | 283      | 328      | 379      | 422      | 517        | 277      | 308      | 357      | 412      | 459      | 564        |
| 77       | 271      | 299        | 345      | 399      | 443      | 540        | 276      | 307      | 356      | 413      | 460      | 563        | 301      | 335      | 388      | 449      | 500      | 613        |
| 78       | 303      | 335        | 385      | 437      | 489      | 592        | 309      | 344      | 397      | 451      | 508      | 617        | 336      | 375      | 433      | 491      | 553      | 673        |
| 79       | 335      | 370        | 425      | 475      | 536      | 645        | 342      | 380      | 439      | 490      | 555      | 672        | 372      | 414      | 478      | 533      | 605      | 732        |
| 80       | 367      | 406        | 466      | 512      | 582      | 697        | 375      | 416      | 480      | 528      | 603      | 727        | 408      | 454      | 523      | 575      | 657      | 792        |
| 81       | 399      | 442        | 506      | 550      | 629      | 750        | 407      | 453      | 521      | 567      | 651      | 781        | 443      | 494      | 568      | 618      | 710      | 851        |
| 82       | 431      | 477        | 546      | 587      | 675      | 802        | 440      | 489      | 563      | 605      | 699      | 836        | 479      | 533      | 614      | 660      | 762      | 911        |
| 83       | 475      | 526        | 604      | 652      | 749      | 890        | 485      | 539      | 622      | 672      | 776      | 928        | 517      | 588      | 679      | 732      | 846      | 1,012      |
| 86       | 579      | 650        | 759      | 834      | 964      | 1209       | 592      | 667      | 783      | 862      | 1002     | 1267       | 643      | 737      | 864      | 950      | 1109     | 1400       |
| 87       | 607      | 685        | 804      | 889      | 1031     | 1321       | 621      | 704      | 830      | 921      | 1073     | 1385       | 680      | 782      | 921      | 1020     | 1194     | 1538       |
| 88       | 635      | 721        | 850      | 945      | 1098     | 1433       | 650      | 740      | 877      | 979      | 1144     | 1503       | 716      | 827      | 978      | 1089     | 1279     | 1676       |
| 89       | 662      | 756<br>701 | 895      | 1001     | 1165     | 1544       | 679      | 777      | 924      | 1038     | 1214     | 1621       | 753      | 871      | 1035     | 1159     | 1364     | 1815       |
| 90       | 690      | 791        | 941      | 1057     | 1232     | 1656       | 708      | 813      | 971      | 1097     | 1285     | 1739       | 790      | 916      | 1092     | 1228     | 1449     | 1953       |
| 91       | 718      | 827        | 986      | 1112     | 1299     | 1768       | 737      | 850      | 1018     | 1156     | 1356     | 1858       | 827      | 961      | 1149     | 1298     | 1534     | 2091       |
| 92+      | 745      | 862        | 1032     | 1168     | 1366     | 1879       | 766      | 886      | 1065     | 1214     | 1427     | 1976       | 863      | 1006     | 1206     | 1367     | 1619     | 2230       |

Coverage Enhancement Rider Benefit Period Premium Rates Preferred Rate Class, 90 Day Elimination Period Rates are per \$10 Facility Care Daily Benefit

|                     |                  | Facility Care Be<br>me and Commi |                  | efit             |                  | acility Care E<br>ne and Comr |                  | Benefit          |                  | acility Care E<br>ne and Comr |                  | Benefit          |
|---------------------|------------------|----------------------------------|------------------|------------------|------------------|-------------------------------|------------------|------------------|------------------|-------------------------------|------------------|------------------|
| From:<br>To:<br>Age | 2 year<br>3 year | 3 year<br>4 year                 | 4 year<br>5 year | 5 year<br>8 year | 2 year<br>3 year | 3 year<br>4 year              | 4 year<br>5 year | 5 year<br>8 year | 2 year<br>3 year | 3 year<br>4 year              | 4 year<br>5 year | 5 year<br>8 year |
| 18-40               | 17               | 18                               | 18               | 22               | 17               | 19                            | 20               | 22               | 19               | 20                            | 22               | 25               |
| 41                  | 17               | 18                               | 18               | 22               | 17               | 19                            | 20               | 23               | 19               | 20                            | 22               | 25               |
| 42                  | 17               | 18                               | 18               | 22               | 17               | 19                            | 19               | 23               | 19               | 20                            | 22               | 25               |
| 43                  | 16               | 18                               | 18               | 22               | 17               | 19                            | 18               | 22               | 19               | 20                            | 21               | 24               |
| 44                  | 16               | 18                               | 17               | 21               | 16               | 18                            | 18               | 21               | 19               | 19                            | 20               | 24               |
| 45                  | 16               | 17                               | 16               | 20               | 15               | 18                            | 17               | 21               | 18               | 18                            | 19               | 23               |
| 46                  | 16               | 16                               | 16               | 20               | 15               | 17                            | 17               | 20               | 17               | 18                            | 18               | 23               |
| 47                  | 16               | 15                               | 15               | 19               | 15               | 16                            | 16               | 19               | 17               | 17                            | 17               | 23               |
| 48                  | 16               | 15                               | 15               | 19               | 15               | 16                            | 16               | 20               | 17               | 18                            | 17               | 23               |
| 49                  | 16               | 16                               | 16               | 19               | 15               | 16                            | 16               | 20               | 17               | 18                            | 17               | 23               |
| 50                  | 16               | 16                               | 16               | 19               | 15               | 16                            | 17               | 20               | 17               | 18                            | 17               | 23               |
| 51                  | 16               | 17                               | 16               | 19               | 15               | 16                            | 17               | 21               | 17               | 19                            | 17               | 23               |
| 52                  | 16               | 17                               | 16               | 19               | 15               | 16                            | 17               | 21               | 17               | 19                            | 17               | 23               |
| 53                  | 16               | 17                               | 16               | 19               | 15               | 16                            | 16               | 21               | 17               | 19                            | 17               | 23               |
| 54                  | 15               | 16                               | 15               | 19               | 15               | 16                            | 16               | 20               | 17               | 18                            | 17               | 23               |
| 55                  | 15               | 16                               | 15               | 19               | 15               | 16                            | 16               | 20               | 16               | 18                            | 16               | 23               |
| 56                  | 14               | 15                               | 15               | 19               | 14               | 16                            | 15               | 19               | 16               | 17                            | 16               | 22               |
| 57                  | 14<br>13         | 15<br>15                         | 14<br>14         | 19<br>18         | 14<br>13         | 16                            | 15<br>14         | 19<br>18         | 16<br>15         | 17<br>17                      | 15<br>15         | 21<br>21         |
| 58<br>59            | 12               | 15                               | 13               | 17               | 13               | 16<br>16                      | 14               | 18               | 14               | 17                            | 15               | 20               |
| 60                  | 12               | 15                               | 13               | 17               | 12               | 15                            | 14               | 17               | 13               | 16                            | 14               | 20               |
| 61                  | 11               | 15                               | 12               | 16               | 12               | 15                            | 13               | 17               | 13               | 16                            | 14               | 19               |
| 62                  | 11               | 15                               | 13               | 16               | 12               | 15                            | 13               | 17               | 12               | 16                            | 14               | 19               |
| 63                  | 11               | 16                               | 13               | 17               | 12               | 16                            | 14               | 17               | 13               | 18                            | 14               | 20               |
| 64                  | 12               | 18                               | 14               | 18               | 13               | 18                            | 15               | 19               | 14               | 20                            | 15               | 21               |
| 65                  | 13               | 20                               | 15               | 20               | 14               | 20                            | 16               | 20               | 15               | 22                            | 16               | 23               |
| 66                  | 14               | 22                               | 16               | 21               | 15               | 22                            | 17               | 22               | 16               | 24                            | 18               | 24               |
| 67                  | 15               | 24                               | 17               | 22               | 16               | 24                            | 18               | 23               | 17               | 27                            | 19               | 26               |
| 68                  | 17               | 26                               | 21               | 25               | 18               | 27                            | 22               | 26               | 19               | 30                            | 23               | 29               |
| 69                  | 18               | 29                               | 25               | 28               | 20               | 30                            | 26               | 30               | 22               | 33                            | 28               | 33               |
| 70                  | 20               | 32                               | 29               | 31               | 22               | 32                            | 30               | 33               | 24               | 36                            | 32               | 36               |
| 71                  | 22               | 34                               | 33               | 33               | 24               | 35                            | 34               | 36               | 26               | 39                            | 37               | 40               |
| 72                  | 24               | 37                               | 37               | 36               | 26               | 38                            | 38               | 39               | 29               | 42                            | 41               | 43               |
| 73                  | 28               | 41                               | 43               | 41               | 29               | 43                            | 45               | 44               | 33               | 47                            | 49               | 49               |
| 74                  | 31               | 46                               | 50               | 47               | 33               | 48                            | 52               | 50               | 37               | 53                            | 56               | 55               |
| 75                  | 35               | 50                               | 57               | 52               | 37               | 53                            | 59               | 56               | 41               | 58                            | 64               | 61               |
| 76                  | 38               | 55                               | 64               | 57               | 40               | 58                            | 66               | 61               | 45               | 64                            | 72               | 67               |
| 77                  | 42<br>47         | 60                               | 71<br>70         | 62<br>73         | 44<br>49         | 63                            | 74<br>73         | 67               | 49               | 69                            | 79<br>79         | 73<br>85         |
| 78<br>79            | 47<br>51         | 66<br>73                         | 70<br>69         | 84               | 49<br>54         | 70<br>77                      | 73<br>72         | 78<br>89         | 54<br>60         | 76<br>84                      | 79<br>78         | 97               |
| 80                  | 56               | 73<br>79                         | 69               | 95               | 59               | 84                            | 71               | 100              | 66               | 91                            | 76<br>77         | 109              |
| 81                  | 61               | 86                               | 68               | 105              | 65               | 90                            | 70               | 112              | 71               | 98                            | 76               | 121              |
| 84                  | 80               | 116                              | 86               | 143              | 85               | 123                           | 89               | 152              | 105              | 134                           | 97               | 166              |
| 85                  | 89               | 128                              | 98               | 157              | 94               | 135                           | 103              | 167              | 115              | 148                           | 112              | 185              |
| 86                  | 98               | 140                              | 111              | 170              | 103              | 147                           | 117              | 182              | 125              | 162                           | 127              | 204              |
| 87                  | 107              | 152                              | 123              | 184              | 112              | 159                           | 130              | 196              | 134              | 177                           | 142              | 223              |
| 88                  | 116              | 164                              | 136              | 198              | 121              | 172                           | 144              | 211              | 144              | 191                           | 158              | 242              |
| 89                  | 125              | 175                              | 148              | 212              | 130              | 184                           | 158              | 226              | 154              | 205                           | 173              | 261              |
| 90                  | 134              | 187                              | 160              | 226              | 139              | 196                           | 172              | 240              | 164              | 220                           | 188              | 280              |
| 91                  | 143              | 199                              | 173              | 240              | 148              | 208                           | 186              | 255              | 174              | 234                           | 203              | 298              |
| 92+                 | 152              | 211                              | 185              | 253              | 157              | 221                           | 200              | 270              | 183              | 249                           | 218              | 317              |

#### Coverage Enhancement Rider Elimination Period Factors Preferred Rate Class

| From:    | 30 days | 60 days      | 90 days      | 180 days     | 365 days     |
|----------|---------|--------------|--------------|--------------|--------------|
| To:      |         | 30 days      |              | 90 days      | 180 days     |
| Age      | ,       |              |              |              | ,            |
| 18-40    | 1.50    | 1.49         | 1.47         | 1.51         | 1.53         |
| 41       | 1.50    | 1.49         | 1.47         | 1.51         | 1.53         |
| 42       | 1.50    | 1.49         | 1.47         | 1.51         | 1.53         |
| 43       | 1.48    | 1.46         | 1.45         | 1.49         | 1.51         |
| 44       | _       | 1.44         | 1.43         | 1.47         | 1.49         |
| 45       |         | 1.42         | 1.40         | 1.44         | 1.46         |
| 46       |         | 1.40         | 1.38         | 1.42         | 1.44         |
| 47       | 1.39    | 1.38         | 1.36         | 1.40         | 1.42         |
| 48       |         | 1.38         | 1.36         | 1.40         | 1.42         |
| 49       |         | 1.38         | 1.36         | 1.40         | 1.42         |
| 50       |         | 1.38         | 1.36         | 1.40         | 1.42         |
| 51       | 1.39    | 1.38         | 1.36         | 1.40         | 1.42         |
| 52<br>53 |         | 1.38<br>1.35 | 1.36<br>1.34 | 1.40<br>1.38 | 1.42         |
| 53<br>54 |         | 1.33         | 1.34         | 1.36         | 1.40<br>1.37 |
| 54<br>55 |         | 1.33         | 1.32         | 1.33         | 1.35         |
| 56       |         | 1.29         | 1.27         | 1.33         | 1.33         |
| 57       |         | 1.29         | 1.25         | 1.29         | 1.31         |
| 58       |         | 1.25         | 1.23         | 1.27         | 1.28         |
| 59       |         | 1.22         | 1.21         | 1.24         | 1.26         |
| 60       |         | 1.20         | 1.19         | 1.22         | 1.24         |
| 61       | 1.19    | 1.18         | 1.17         | 1.20         | 1.22         |
| 62       |         | 1.16         | 1.14         | 1.18         | 1.19         |
| 63       | 1.17    | 1.16         | 1.14         | 1.18         | 1.19         |
| 64       | 1.16    | 1.15         | 1.14         | 1.17         | 1.19         |
| 65       | 1.16    | 1.15         | 1.14         | 1.17         | 1.19         |
| 66       | 1.16    | 1.15         | 1.14         | 1.17         | 1.18         |
| 67       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 68       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 69       | _       | 1.15         | 1.13         | 1.17         | 1.18         |
| 70       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 71       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 72       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 73       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 74<br>75 | _       | 1.15         | 1.13         | 1.17<br>1.17 | 1.18<br>1.18 |
| 75<br>76 |         | 1.15<br>1.15 | 1.13<br>1.13 | 1.17         | 1.18         |
| 76       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 78       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 79       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 80       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 81       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 82       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 83       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 86       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 87       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 88       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 89       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 90       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 91       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 92+      | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
|          |         |              |              |              |              |

Base Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit
Daily Benefit range from \$50 - \$99

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age      | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime  |
|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|
| 18-40    | 40       | 43       | 47       | 50       | 55       | 64       | 41       | 45       | 49       | 51       | 57       | 67       | 46       | 51       | 53       | 57       | 62       | 74        |
| 41       | 40       | 43       | 47       | 50       | 55       | 64       | 41       | 45       | 49       | 52       | 58       | 67       | 46       | 51       | 53       | 57       | 63       | 74        |
| 42       | 40       | 43       | 48       | 51       | 56       | 65       | 41       | 45       | 50       | 52       | 58       | 68       | 46       | 51       | 54       | 58       | 63       | 75        |
| 43       | 41       | 45       | 49       | 52       | 57       | 67       | 42       | 46       | 51       | 53       | 59       | 69       | 47       | 52       | 55       | 59       | 65       | 76        |
| 44       | 42       | 46       | 50       | 53       | 58       | 68       | 43       | 47       | 52       | 54       | 60       | 71       | 48       | 53       | 56       | 60       | 66       | 78        |
| 45       | 43       | 48       | 51       | 54       | 59       | 69       | 44       | 48       | 53       | 55       | 61       | 72       | 49       | 54       | 57       | 61       | 67       | 79        |
| 46       | 44       | 49       | 52       | 55       | 60       | 71       | 45       | 49       | 54       | 56       | 62       | 74       | 50       | 55       | 59       | 62       | 68       | 80        |
| 47       | 45       | 51       | 53       | 56       | 61       | 72       | 47       | 50       | 55       | 57       | 63       | 75       | 51       | 57       | 60       | 63       | 70       | 82        |
| 48       | 46       | 51       | 54       | 57       | 62       | 74       | 47       | 51       | 56       | 58       | 63       | 77       | 52       | 57       | 61       | 64       | 70       | 84        |
| 49       | 46       | 52       | 55       | 58       | 63       | 76       | 48       | 52       | 56       | 59       | 64       | 78       | 52       | 57       | 61       | 64       | 71       | 85        |
| 50       | 47       | 52       | 55       | 58       | 63       | 78       | 48       | 53       | 57       | 60       | 65       | 80       | 53       | 58       | 62       | 65<br>65 | 72       | 87        |
| 51       | 48       | 53       | 56       | 59       | 64       | 79       | 49       | 54       | 57       | 60       | 66       | 82       | 54       | 58       | 63       | 65       | 73       | 89        |
| 52       | 49<br>50 | 54<br>55 | 57       | 60       | 65       | 81       | 50       | 54<br>56 | 58       | 61<br>64 | 67<br>70 | 83<br>87 | 55<br>57 | 58       | 64       | 66<br>69 | 74<br>77 | 91<br>95  |
| 53<br>54 | 50<br>50 | 55<br>57 | 60       | 63       | 68<br>72 | 85<br>89 | 51<br>53 | 56<br>58 | 61<br>63 | 67       | 70<br>74 | 91       | 57<br>58 | 61       | 66<br>69 | 72       |          |           |
| 55<br>55 | 52<br>54 | 57<br>59 | 62<br>64 | 66<br>68 | 72<br>75 | 94       | 55<br>55 | 60       | 66       | 70       | 74<br>77 | 95       | 60       | 63<br>65 | 72       | 72<br>75 | 81<br>85 | 99<br>104 |
| 56       | 56       | 61       | 67       | 71       | 75<br>79 | 98       | 57       | 62       | 68       | 73       | 80       | 100      | 62       | 67       | 72<br>74 | 75<br>79 | 88       | 104       |
| 57       | 58       | 63       | 69       | 74       | 82       | 102      | 58       | 63       | 71       | 76       | 84       | 104      | 64       | 70       | 74<br>77 | 82       | 92       | 112       |
| 58       | 62       | 67       | 75       | 80       | 89       | 110      | 63       | 68       | 77       | 82       | 91       | 113      | 69       | 75       | 84       | 89       | 99       | 122       |
| 59       | 67       | 72       | 75<br>81 | 86       | 96       | 119      | 67       | 73       | 83       | 89       | 98       | 122      | 74       | 80       | 90       | 95       | 107      | 132       |
| 60       | 71       | 76       | 87       | 92       | 102      | 128      | 72       | 78       | 88       | 95       | 105      | 132      | 79       | 85       | 97       | 102      | 114      | 143       |
| 61       | 76       | 81       | 92       | 98       | 109      | 136      | 76       | 83       | 94       | 101      | 112      | 141      | 84       | 90       | 103      | 109      | 122      | 153       |
| 62       | 80       | 86       | 98       | 105      | 116      | 145      | 81       | 87       | 100      | 108      | 119      | 150      | 89       | 95       | 109      | 116      | 129      | 163       |
| 63       | 88       | 94       | 108      | 116      | 128      | 160      | 89       | 96       | 110      | 119      | 132      | 166      | 97       | 104      | 120      | 129      | 143      | 180       |
| 64       | 95       | 103      | 117      | 127      | 140      | 175      | 96       | 105      | 119      | 131      | 145      | 181      | 105      | 114      | 130      | 141      | 157      | 197       |
| 65       | 103      | 111      | 126      | 139      | 152      | 191      | 104      | 113      | 129      | 142      | 159      | 197      | 114      | 123      | 141      | 154      | 170      | 214       |
| 66       | 111      | 120      | 136      | 150      | 165      | 206      | 112      | 122      | 138      | 154      | 172      | 212      | 122      | 133      | 151      | 167      | 184      | 231       |
| 67       | 118      | 128      | 145      | 161      | 177      | 221      | 120      | 131      | 148      | 165      | 185      | 228      | 130      | 142      | 162      | 180      | 198      | 248       |
| 68       | 135      | 145      | 164      | 184      | 202      | 249      | 137      | 149      | 168      | 189      | 211      | 257      | 148      | 162      | 183      | 205      | 227      | 281       |
| 69       | 151      | 163      | 182      | 207      | 227      | 277      | 153      | 166      | 187      | 213      | 236      | 287      | 167      | 181      | 204      | 231      | 255      | 313       |
| 70       | 167      | 180      | 201      | 230      | 252      | 305      | 170      | 184      | 207      | 236      | 262      | 316      | 185      | 201      | 225      | 257      | 284      | 345       |
| 71       | 183      | 197      | 219      | 252      | 277      | 333      | 186      | 202      | 227      | 260      | 287      | 346      | 203      | 220      | 246      | 283      | 313      | 377       |
| 72       | 199      | 214      | 238      | 275      | 302      | 360      | 203      | 220      | 247      | 284      | 313      | 375      | 221      | 239      | 267      | 309      | 342      | 409       |
| 73       | 226      | 243      | 271      | 314      | 344      | 409      | 230      | 250      | 280      | 324      | 357      | 426      | 251      | 272      | 302      | 352      | 390      | 464       |
| 74       | 253      | 272      | 303      | 352      | 387      | 457      | 258      | 279      | 314      | 363      | 401      | 476      | 281      | 304      | 337      | 395      | 438      | 519       |
| 75       | 280      | 301      | 336      | 391      | 430      | 505      | 286      | 309      | 347      | 403      | 446      | 526      | 312      | 337      | 373      | 439      | 486      | 574       |
| 76       | 307      | 330      | 369      | 429      | 472      | 553      | 313      | 339      | 381      | 443      | 490      | 577      | 342      | 369      | 408      | 482      | 533      | 628       |
| 77       | 334      | 359      | 401      | 468      | 515      | 602      | 341      | 369      | 414      | 483      | 534      | 627      | 372      | 402      | 443      | 526      | 581      | 683       |
| 78       | 376      | 403      | 446      | 511      | 564      | 660      | 384      | 413      | 460      | 527      | 585      | 688      | 419      | 450      | 495      | 574      | 642      | 749       |
| 79       | 419      | 446      | 491      | 554      | 614      | 718      | 427      | 458      | 506      | 571      | 636      | 749      | 466      | 499      | 546      | 622      | 703      | 816       |
| 80       | 461      | 490      | 535      | 597      | 663      | 777      | 471      | 502      | 552      | 615      | 687      | 810      | 513      | 548      | 598      | 670      | 764      | 882       |
| 81       | 504      | 533      | 580      | 640      | 712      | 835      | 514      | 547      | 597      | 659      | 738      | 870      | 560      | 596      | 650      | 719      | 825      | 948       |
| 82       | 547      | 577      | 624      | 682      | 762      | 894      | 558      | 591      | 643      | 703      | 789      | 931      | 607      | 645      | 701      | 767      | 886      | 1,015     |
| 83       | 601      | 636      | 690      | 757      | 845      | 991      | 614      | 652      | 711      | 780      | 876      | 1,035    | 655      | 711      | 776      | 850      | 983      | 1,127     |
| 84       | 663      | 700      | 763      | 839      | 937      | 1,099    | 677      | 719      | 787      | 865      | 971      | 1,148    | 721      | 783      | 857      | 943      | 1,091    | 1,252     |

Base Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit
Daily Benefit range from \$100 - \$500

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age      | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   | 2 year     | 3 year     | 4 year     | 5 year               | 8 year     | Lifetime     |
|----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|----------------------|------------|--------------|
| 18-40    | 32         | 36         | 40         | 42         | 47         | 57         | 33         | 37         | 41         | 44         | 49         | 60         | 37         | 41         | 45         | 49                   | 54         | 66           |
| 41       | 32         | 36         | 40         | 42         | 47         | 57         | 33         | 37         | 41         | 45         | 50         | 60         | 37         | 41         | 45         | 49                   | 55         | 66           |
| 42       | 32         | 36         | 41         | 43         | 48         | 58         | 33         | 37         | 42         | 45         | 50         | 61         | 37         | 42         | 46         | 50                   | 55         | 67           |
| 43       | 33         | 37         | 42         | 44         | 49         | 60         | 34         | 38         | 43         | 45         | 51         | 62         | 38         | 43         | 47         | 50                   | 56         | 68           |
| 44       | 34         | 38         | 42         | 45         | 50         | 61         | 35         | 39         | 44         | 46         | 51         | 63         | 39         | 44         | 48         | 51                   | 57         | 69           |
| 45       | 35         | 39         | 43         | 46         | 51         | 62         | 36         | 39         | 45         | 47         | 52         | 64         | 40         | 44         | 48         | 52                   | 58         | 71           |
| 46       | 36         | 40         | 44         | 47         | 52         | 63         | 37         | 40         | 45         | 48         | 53         | 66         | 40         | 45         | 49         | 53                   | 59         | 72           |
| 47       | 36         | 41         | 44         | 47         | 53         | 64         | 38         | 41         | 46         | 49         | 54         | 67         | 41         | 46         | 50         | 53                   | 60         | 73           |
| 48       | 37         | 42         | 45         | 48         | 54         | 66         | 38         | 42         | 47         | 49         | 55         | 68         | 42         | 47         | 51         | 54                   | 61         | 75           |
| 49       | 37         | 43         | 46         | 49         | 54         | 68         | 38         | 43         | 47         | 50         | 56         | 70         | 42         | 47         | 52         | 55                   | 62         | 77           |
| 50       | 38         | 43         | 47         | 50         | 55         | 70         | 39         | 44         | 48         | 51         | 56         | 72         | 43         | 48         | 52         | 55                   | 62         | 78           |
| 51       | 39         | 44         | 47         | 51         | 56         | 71         | 39         | 45         | 48         | 51         | 57         | 73         | 43         | 48         | 53         | 56                   | 63         | 80           |
| 52       | 39         | 45         | 48         | 51         | 56         | 73         | 40         | 45         | 49         | 52         | 58         | 75         | 44         | 49         | 54         | 57                   | 64         | 82           |
| 53       | 41         | 46         | 50         | 54         | 59         | 77         | 41         | 47         | 51         | 54         | 61         | 78         | 45         | 50         | 56         | 59                   | 67         | 85           |
| 54       | 42         | 47         | 52         | 56         | 62         | 80         | 43         | 48         | 53         | 57         | 63         | 82         | 47         | 52         | 58         | 61                   | 70<br>70   | 89           |
| 55       | 43         | 49<br>50   | 54<br>56   | 58         | 64         | 84<br>87   | 44<br>45   | 50         | 55<br>57   | 59         | 66<br>68   | 85         | 48         | 54<br>56   | 60         | 64                   | 72<br>75   | 93           |
| 56<br>57 | 45<br>46   | 50<br>52   | 56<br>57   | 60<br>62   | 67<br>69   | 91         | 45<br>47   | 51<br>52   | 57<br>59   | 61<br>64   | 71         | 89<br>93   | 50<br>51   | 56<br>58   | 62<br>64   | 66<br>69             | 75<br>78   | 96<br>100    |
| 58       | 50         | 55         | 62         | 67         | 75         | 98         | 50         | 56         | 64         | 69         | 77         | 100        | 55         | 62         | 69         | 74                   | 84         | 108          |
| 59       | 53         | 59         | 66         | 72         | 80         | 105        | 54         | 60         | 68         | 74         | 82         | 100        | 59         | 66         | 74         | 7 <del>4</del><br>79 | 90         | 117          |
| 60       | 57         | 63         | 71         | 77         | 86         | 112        | 57         | 64         | 72         | 79         | 88         | 115        | 63         | 70         | 79         | 85                   | 96         | 125          |
| 61       | 60         | 66         | 75         | 82         | 91         | 119        | 61         | 68         | 77         | 84         | 93         | 123        | 67         | 74         | 84         | 90                   | 102        | 133          |
| 62       | 64         | 70         | 80         | 86         | 97         | 126        | 64         | 72         | 81         | 89         | 99         | 131        | 71         | 78         | 89         | 96                   | 108        | 142          |
| 63       | 70         | 77         | 88         | 95         | 106        | 139        | 70         | 78         | 90         | 98         | 110        | 144        | 77         | 85         | 98         | 106                  | 119        | 156          |
| 64       | 76         | 83         | 96         | 104        | 116        | 152        | 76         | 85         | 98         | 107        | 121        | 158        | 84         | 93         | 107        | 116                  | 130        | 171          |
| 65       | 82         | 90         | 105        | 113        | 126        | 166        | 83         | 92         | 106        | 116        | 131        | 171        | 90         | 100        | 116        | 126                  | 141        | 186          |
| 66       | 88         | 97         | 113        | 122        | 136        | 179        | 89         | 99         | 115        | 125        | 142        | 185        | 97         | 107        | 126        | 136                  | 152        | 201          |
| 67       | 94         | 103        | 121        | 131        | 146        | 192        | 95         | 106        | 123        | 134        | 153        | 198        | 103        | 115        | 135        | 146                  | 164        | 216          |
| 68       | 106        | 117        | 136        | 150        | 166        | 216        | 108        | 120        | 140        | 154        | 174        | 223        | 117        | 130        | 152        | 167                  | 187        | 243          |
| 69       | 119        | 131        | 152        | 168        | 187        | 239        | 121        | 134        | 156        | 173        | 194        | 247        | 131        | 146        | 170        | 188                  | 210        | 270          |
| 70       | 131        | 144        | 167        | 187        | 207        | 262        | 133        | 148        | 173        | 192        | 215        | 272        | 145        | 161        | 187        | 209                  | 234        | 296          |
| 71       | 143        | 158        | 183        | 205        | 227        | 285        | 146        | 162        | 189        | 211        | 236        | 296        | 159        | 176        | 205        | 230                  | 257        | 323          |
| 72       | 155        | 172        | 198        | 224        | 247        | 308        | 159        | 176        | 206        | 231        | 257        | 321        | 173        | 192        | 222        | 251                  | 280        | 350          |
| 73       | 176        | 194        | 226        | 255        | 282        | 349        | 179        | 199        | 234        | 263        | 293        | 364        | 195        | 217        | 252        | 286                  | 319        | 397          |
| 74       | 196        | 217        | 253        | 286        | 317        | 390        | 200        | 222        | 262        | 296        | 329        | 407        | 218        | 242        | 281        | 321                  | 359        | 443          |
| 75       | 216        | 240        | 280        | 318        | 352        | 432        | 221        | 246        | 290        | 328        | 365        | 450        | 241        | 268        | 311        | 357                  | 398        | 490          |
| 76       | 236        | 262        | 307        | 349        | 387        | 473        | 241        | 269        | 317        | 361        | 402        | 493        | 264        | 293        | 340        | 392                  | 437        | 537          |
| 77       | 257        | 285        | 334        | 380        | 422        | 514        | 262        | 293        | 345        | 393        | 438        | 536        | 286        | 319        | 369        | 427                  | 477        | 584          |
| 78       | 288        | 319        | 372        | 416        | 462        | 564        | 293        | 327        | 383        | 430        | 480        | 588        | 320        | 357        | 412        | 468                  | 526        | 640          |
| 79       | 318        | 353        | 409        | 452        | 503        | 614        | 325        | 362        | 422        | 466        | 521        | 640        | 354        | 395        | 455        | 508                  | 576        | 697          |
| 80       | 349        | 387        | 446        | 488        | 543        | 664        | 356        | 396        | 460        | 503        | 563        | 692        | 388        | 432        | 498        | 548                  | 626        | 754          |
| 81       | 380        | 420        | 483        | 524        | 584<br>625 | 714        | 388        | 431        | 498        | 540<br>576 | 605        | 744        | 422        | 470        | 541        | 588                  | 676        | 810          |
| 82       | 411        | 454<br>501 | 520<br>575 | 559        |            | 764<br>947 | 419        | 466        | 536        |            | 647        | 796        | 456        | 508        | 584        | 629<br>607           | 726        | 867          |
| 83<br>84 | 452<br>499 | 501<br>551 | 575<br>636 | 621<br>688 | 693<br>768 | 847<br>939 | 462<br>509 | 513<br>566 | 593<br>656 | 640<br>709 | 718<br>796 | 884<br>981 | 493<br>542 | 560<br>616 | 646<br>714 | 697<br>773           | 805<br>894 | 963<br>1,070 |
| 04       | 433        | 331        | 030        | 000        | 700        | 508        | 509        | 500        | 000        | 709        | 130        | 901        | 342        | 010        | / 14       | 113                  | 034        | 1,070        |

#### **Rider Premium Rates and Premium Factors**

Factors applied to base premium rates

| Part   |      |      |      |      |      | 5%   |        |      |      |       | Full  |      |                    |                         |         |
|--|------|------|------|------|------|------|--------|------|------|-------|-------|------|--------------------|-------------------------|---------|
| The color      |      |      |      |      |      |      |        |      |      |       |       |      | 5 6                | <b>.</b>                |         |
| 16-40  | امما |      |      |      |      |      | 10 pay |      | CDD  |       |       |      |                    |                         |         |
| 41   2.86   2.26   1.85   1.79   1.00   3.72   1.75   1.20   1.30   1.49   1.12   3 year   1.05   42   2.86   2.26   1.85   1.79   1.00   3.72   1.75   1.20   1.30   1.49   1.12   4 year   1.04   43   2.84   2.24   1.85   1.80   1.00   3.72   1.75   1.20   1.30   1.49   1.12   5 year   1.04   44   2.84   2.24   1.85   1.80   1.00   3.44   1.81   1.21   1.35   1.56   1.12   Uleime   1.04   45   2.83   2.24   1.85   1.80   1.00   3.44   1.81   1.21   1.35   1.56   1.12   Uleime   1.04   46   2.82   2.23   1.85   1.80   1.00   3.44   1.81   1.21   1.35   1.56   1.12   Uleime   1.04   47   2.85   2.20   1.85   1.79   1.00   3.45   1.81   1.21   1.35   1.56   1.12   Uleime   1.04   48   2.57   2.20   1.85   1.79   1.00   3.15   1.00   1.21   1.41   1.61   1.12   49   2.57   2.20   1.84   1.79   1.00   3.15   1.20   1.21   1.45   1.65   1.12   Uleime   1.04   Uleime   1.04   40   2.57   2.20   1.84   1.79   1.00   3.03   2.10   1.22   1.45   1.67   1.12   Uleime   1.04   Uleime   1.04   Uleime   1.04   Uleime   1.04   Uleime   1.05   Uleime   1 |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 42   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 43   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 45   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 46   | 44   | 2.64 | 2.24 | 1.85 | 1.79 | 1.60 | 3.53   | 1.80 | 1.20 | 1.34  | 1.53  | 1.12 | 8 year             | 1.04                    |         |
| 47   | 45   | 2.63 | 2.24 | 1.85 | 1.80 | 1.60 | 3.44   | 1.83 | 1.21 | 1.35  | 1.56  | 1.12 |                    | N / A                   |         |
| 48   | 46   | 2.62 | 2.23 | 1.85 | 1.80 | 1.60 | 3.34   | 1.85 | 1.21 | 1.37  | 1.58  | 1.12 |                    |                         |         |
| Second       |      |      |      | 1.85 | 1.80 | 1.60 | 3.25   | 1.88 |      | 1.39  |       | 1.12 |                    |                         |         |
| 50   2.56   2.20   1.84   1.78   1.60   2.95   2.16   1.22   1.45   1.67   1.12   Pertod residualy residualy     51   2.54   2.19   1.84   1.78   1.60   2.95   2.16   1.22   1.47   1.70   1.12   2.9er   1.21   1.12     52   2.52   2.18   1.84   1.77   1.60   2.88   2.25   1.22   1.49   1.72   1.12   3.year   1.14   1.11     53   2.46   2.14   1.81   1.76   1.75   1.80   2.21   2.39   1.22   1.89   1.76   1.72   1.12   3.year   1.14   1.11     54   2.46   2.47   2.09   1.78   1.75   1.80   2.21   2.39   1.22   1.89   1.80   1.12   4.year   1.09   1.08     55   2.27   2.00   1.73   1.73   1.80   2.25   1.23   1.89   1.80   1.11   2.5 year   1.66   1.85     56   2.27   2.00   1.73   1.73   1.80   2.25   1.24   1.89   1.80   1.11   2.5 year   1.60   1.85     57   2.21   1.96   1.70   1.72   1.80   2.52   1.24   1.69   1.93   1.11     58   2.18   1.94   1.68   1.70   1.72   1.80   2.52   1.24   1.69   1.97   1.11     59   2.15   1.91   1.66   1.70   1.59   2.30   1.24   1.73   2.01   1.11     60   2.10   1.86   1.82   1.89   1.89   1.89   2.22   1.25   1.89   2.14   1.73   2.01   1.11     61   2.10   1.86   1.82   1.69   1.89   2.22   1.25   1.89   2.14   1.73   2.01   1.11     62   2.07   1.86   1.86   1.70   1.59   2.30   1.24   1.76   2.05   1.11     63   2.10   1.86   1.82   1.89   1.89   1.50   2.22   1.25   1.89   2.14   1.76   2.05   1.11     64   1.99   1.76   1.86   1.89   1.89   1.50   2.22   1.25   1.89   2.14   1.70   2.11   1.12   1.12   1.12     65   1.94   1.74   1.54   1.83   1.55   1.50   1.55   1.89   1.26   2.14   2.53   1.11   1.12      |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 51   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| Second Color   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 50   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 54   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 55   2.33   2.05   1.76   1.74   1.60   2.66   1.23   1.59   1.84   1.12   8 year   1.02   1.02   1.05      |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| Fig.      |      |      |      |      |      |      |        | 2.52 |      |       |       |      |                    |                         |         |
| 57   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 58   2.18   1.94   1.88   1.71   1.60   2.45   1.24   1.69   1.97   1.11   Restoration of Benefits and Shared Care are not all the state of the      |      |      |      |      |      |      |        |      |      |       |       |      | Lifetime           | N/A                     | N/A     |
| 59   |      |      |      |      |      |      |        |      |      |       |       |      | Destaration of De  | nafita and Charad Car   |         |
| 60   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 61   |      |      |      |      |      |      |        |      |      |       |       |      | not available with | Lifetime benefit period | горион. |
| 62   2.07  |      |      |      |      |      |      |        |      |      |       |       |      | HCC Monthly Re     | nofit                   | 1.06    |
| 63   2.03   1.81   1.58   1.66   1.57   2.08   1.25   1.90   2.23   1.11     HCC Calendar Day EP   1.02  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 64 1.99 1.78 1.56 1.64 1.56 2.02 1.25 1.98 2.33 1.11 Maker of HCC EP 1.12 65 1.94 1.74 1.54 1.63 1.56 1.95 1.25 2.06 2.43 1.11 66 1.90 1.71 1.52 1.61 1.55 1.89 1.26 2.14 2.53 1.10 Monthly Indemnity Benefit 1.04 68 1.82 1.65 1.88 1.50 1.59 1.54 1.82 1.26 2.23 2.64 1.10 1.05 1.05 1.06 68 1.82 1.65 1.88 1.50 1.59 1.54 1.82 1.26 2.26 2.81 1.10 2.5% 1.10 4.06 68 1.82 1.65 1.48 1.57 1.53 1.76 1.26 2.36 2.81 1.10 2.5% 1.10 1.04 1.05 1.00 1.00 1.00 1.00 1.00 1.00 1.00   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 65   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 66   |      |      |      |      |      |      |        |      |      |       |       |      | Walver of 1100 L   |                         | 1.12    |
| 67   |      |      |      |      |      |      |        |      |      |       |       |      | Monthly Indemni    | tv Benefit              |         |
| 68   |      |      |      |      |      |      |        |      |      |       |       |      |                    | .,                      | 1.04    |
| 70   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         | 1.10    |
| 71   | 69   | 1.78 | 1.62 | 1.46 | 1.55 | 1.52 | 1.71   |      | 1.27 | 2.50  | 3.00  | 1.10 | 50%                |                         | 1.23    |
| 72   | 70   | 1.74 | 1.59 | 1.44 | 1.54 | 1.51 | 1.65   |      | 1.27 | 2.65  | 3.19  | 1.09 | 100% (age < 60)    |                         | 2.57    |
| Table   Tabl   |      | 1.70 |      | 1.42 | 1.52 | 1.50 | 1.60   |      |      |       |       |      | 100% (age 60+)     |                         | 2.23    |
| 74         1.60         1.49         1.37         1.47         1.42         1.28         4.23         5.71         1.05         7 Day         1.30           75         1.57         1.46         1.36         1.45         1.37         1.28         5.06         7.21         1.04         30 Day         1.18           76         1.54         1.44         1.34         1.44         1.41         1.42         1.31         1.28         5.82         9.15         1.03         0 Day         1.18           77         1.51         1.42         1.33         1.42         1.43         1.25         1.29         6.07         11.66         1.02         90 Day         1.00           78         1.49         1.40         1.32         1.41         1.42         1.22         1.29         7.28         13.99         1.02         180 Day         0.90           79         1.46         1.38         1.30         1.40         1.16         1.29         1.87         1.02         180 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.16         1.29         1.048         20.15         1.02         Ris  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 75         1.57         1.46         1.36         1.45         1.45         1.37         1.28         5.06         7.21         1.04         30 Day         1.18           76         1.54         1.44         1.34         1.44         1.31         1.28         5.82         9.15         1.03         60 Day         1.08           77         1.51         1.42         1.33         1.42         1.43         1.25         1.29         6.07         11.66         1.02         90 Day         1.00           78         1.49         1.40         1.32         1.41         1.42         1.22         1.29         7.28         13.99         1.02         180 Day         0.90           79         1.46         1.38         1.30         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.00         1.01         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           81         1.41         1.35         1.27         1.37         1.39         1.13         1.30         10.48   |      |      |      |      |      |      |        |      |      |       |       |      |                    | od Factors              |         |
| 76         1.54         1.44         1.34         1.44         1.31         1.28         5.82         9.15         1.03         60 Day         1.08           77         1.51         1.42         1.33         1.42         1.43         1.25         1.29         6.07         11.66         1.02         90 Day         1.00           78         1.49         1.40         1.32         1.41         1.42         1.22         1.29         7.28         1.399         1.02         180 Day         0.90           79         1.46         1.38         1.30         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.16         1.29         10.48         20.15         1.02         Risk Class Factors           81         1.41         1.35         1.27         1.37         1.39         1.13         1.30         10.48         20.15         1.02         Preferred Plus         0.85           82         1.39         1.33         1.26         1.36         1.38         1.10         1.30         10.48         20.15   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 77   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 78         1.49         1.40         1.32         1.41         1.42         1.22         1.29         7.28         13.99         1.02         180 Day         0.90           79         1.46         1.38         1.30         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.16         1.29         10.48         20.15         1.02         Risk Class Factors           81         1.41         1.35         1.27         1.37         1.39         1.13         1.30         10.48         20.15         1.02         Referred Plus         No.85           82         1.39         1.33         1.26         1.36         1.38         1.10         1.30         10.48         20.15         1.02         Preferred Plus         0.85           83         1.37         1.31         1.26         1.38         1.10         1.30         10.48         20.15         1.02         Preferred Plus         1.00           84         1.35         1.30         1.24         1.34         1.34         1.08   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 79         1.46         1.38         1.30         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.16         1.29         10.48         20.15         1.02         Risk Class Factors           81         1.41         1.35         1.27         1.37         1.39         1.13         1.30         10.48         20.15         1.02         Risk Class Factors           82         1.39         1.33         1.26         1.36         1.38         1.10         1.30         10.48         20.15         1.02         Preferred Plus         0.85           83         1.37         1.31         1.25         1.35         1.36         1.09         1.30         10.48         20.15         1.02         Preferred Plus         0.85           84         1.35         1.30         1.24         1.04         1.08         1.30         10.48         20.15         1.02         Standard         1.20           85         1.34         1.29         1.23         1.29         1.30         10.48         20.1  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 80         1.44         1.37         1.29         1.38         1.40         1.16         1.29         10.48         20.15         1.02         Risk Class Factors           81         1.41         1.35         1.27         1.37         1.39         1.13         1.30         10.48         20.15         1.02         Risk Class Factors           82         1.39         1.33         1.26         1.36         1.38         1.10         1.30         10.48         20.15         1.02         Preferred Plus         0.85           83         1.37         1.31         1.25         1.35         1.36         1.09         1.30         10.48         20.15         1.02         Preferred Plus         0.85           84         1.35         1.30         1.24         1.34         1.34         1.08         1.30         10.48         20.15         1.02         Preferred Plus         0.85           85         1.34         1.29         1.23         1.32         1.33         1.30         10.48         20.15         1.02         Standard         1.20           88         1.29         1.25         1.20         1.28         1.29         1.30         10.48         20.15 <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 81         1.41         1.35         1.27         1.37         1.39         1.13         1.30         10.48         20.15         1.02         Risk Class Factors           82         1.39         1.33         1.26         1.36         1.38         1.10         1.30         10.48         20.15         1.02         Preferred Plus         0.85           83         1.37         1.31         1.25         1.36         1.39         1.30         10.48         20.15         1.02         Preferred Plus         0.85           84         1.35         1.30         1.24         1.34         1.34         1.08         1.30         10.48         20.15         1.02         Preferred Plus         0.85           85         1.34         1.29         1.23         1.32         1.33         1.30         10.48         20.15         1.02         Standard         1.20           88         1.29         1.25         1.20         1.28         1.30         10.48         20.15         1.02         Select IV         3.00           89         1.28         1.29         1.30         10.48         20.15         1.02         Discount Factors           90         1.26         1  |      |      |      |      |      |      |        |      |      |       |       |      | 303 Day            |                         | 0.60    |
| 82     1.39     1.33     1.26     1.36     1.38     1.10     1.30     10.48     20.15     1.02     Preferred Plus     0.85       83     1.37     1.31     1.25     1.35     1.36     1.09     1.30     10.48     20.15     1.02     Preferred Plus     0.85       84     1.35     1.30     1.24     1.34     1.34     1.30     10.48     20.15     1.02     Standard     1.20       85     1.34     1.29     1.23     1.32     1.33     1.30     10.48     20.15     1.02     Select I     1.50       88     1.29     1.25     1.20     1.28     1.29     1.30     10.48     20.15     1.02     Select IV     3.00       89     1.28     1.23     1.28     1.30     10.48     20.15     1.02     Select IV     3.00       90     1.26     1.22     1.17     1.24     1.26     1.30     10.48     20.15     1.02     Discount Factors       91     1.25     1.20     1.6     1.23     1.25     1.30     10.48     20.15     1.02     Married     0.90       92+     1.23     1.19     1.15     1.21     1.23     1.30     10.48     20.   |      |      |      |      |      |      |        |      |      |       |       |      | Rick Clace Facto   | ire                     |         |
| 83     1.37     1.31     1.25     1.35     1.36     1.09     1.30     10.48     20.15     1.02     Preferred     1.00       84     1.35     1.30     1.24     1.34     1.34     1.08     1.30     10.48     20.15     1.02     Standard     1.20       85     1.34     1.29     1.23     1.32     1.33     1.30     10.48     20.15     1.02     Select I     1.50       88     1.29     1.25     1.20     1.28     1.29     1.30     10.48     20.15     1.02     Select IV     3.00       89     1.28     1.23     1.18     1.26     1.28     1.30     10.48     20.15     1.02     Select IV     3.00       90     1.26     1.22     1.17     1.24     1.26     1.30     10.48     20.15     1.02     Discount Factors       91     1.25     1.20     1.16     1.23     1.25     1.30     10.48     20.15     1.02     Married     0.90       92+     1.23     1.19     1.15     1.21     1.23     1.30     10.48     20.15     1.02     Spousal     0.70   |      |      |      |      |      |      |        |      |      |       |       |      |                    | 113                     | 0.85    |
| 84     1.35     1.30     1.24     1.34     1.34     1.08     1.30     10.48     20.15     1.02     Standard     1.20       85     1.34     1.29     1.23     1.32     1.33     1.30     10.48     20.15     1.02     Select IV     3.00       88     1.29     1.20  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 85     1.34     1.29     1.23     1.32     1.33     1.30     10.48     20.15     1.02     Select I     1.50       88     1.29     1.25     1.20     1.28     1.29     1.30     10.48     20.15     1.02     Select IV     3.00       89     1.28     1.23     1.18     1.26     1.28     1.30     10.48     20.15     1.02     Select IV     3.00       90     1.26     1.22     1.17     1.24     1.26     1.30     10.48     20.15     1.02     Discount Factors       91     1.25     1.20     1.16     1.23     1.25     1.30     10.48     20.15     1.02     Married     0.90       92+     1.23     1.19     1.15     1.21     1.23     1.30     10.48     20.15     1.02     Spousal     0.70  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 88     1.29     1.25     1.20     1.28     1.29     1.30     10.48     20.15     1.02     Select IV     3.00       89     1.28     1.23     1.18     1.26     1.28     1.30     10.48     20.15     1.02       90     1.26     1.22     1.17     1.24     1.26     1.30     10.48     20.15     1.02     Discount Factors       91     1.25     1.20     1.16     1.23     1.25     1.30     10.48     20.15     1.02     Married     0.90       92+     1.23     1.19     1.15     1.21     1.23     1.30     10.48     20.15     1.02     Spousal     0.70   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 89     1.28     1.23     1.18     1.26     1.28     1.30     10.48     20.15     1.02   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 90 1.26 1.22 1.17 1.24 1.26 1.30 10.48 20.15 1.02 <u>Discount Factors</u><br>91 1.25 1.20 1.16 1.23 1.25 1.30 10.48 20.15 1.02 <u>Married</u> 0.90<br>92+ 1.23 1.19 1.15 1.21 1.23 1.30 10.48 20.15 1.02 <u>Spousal</u> 0.70   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 91 1.25 1.20 1.16 1.23 1.25 1.30 10.48 20.15 1.02 Married 0.90 92+ 1.23 1.19 1.15 1.21 1.23 1.30 10.48 20.15 1.02 Spousal 0.70   |      | 1.26 |      | 1.17 | 1.24 |      |        |      |      | 10.48 |       | 1.02 | Discount Factors   | 3                       |         |
|  |      |      |      |      |      |      |        |      |      |       |       |      | Married            |                         |         |
| Facility Care Only Endorsement 0.90  | 92+  | 1.23 | 1.19 | 1.15 | 1.21 | 1.23 |        |      | 1.30 | 10.48 | 20.15 | 1.02 |                    |                         |         |
|  |      |      |      |      |      |      |        |      |      |       |       |      | Facility Care Only | Endorsement             | 0.90    |

Coverage Enhancement Rider
Daily Benefit Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age      | 2 year   | 3 year     | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   |
|----------|----------|------------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|
| 18-40    | 44       | 49         | 54       | 57       | 64       | 78         | 45       | 50       | 56       | 61       | 67       | 82         | 50       | 56       | 61       | 67       | 73       | 90         |
| 41       | 44       | 49         | 54       | 57       | 64       | 78         | 45       | 50       | 56       | 61       | 68       | 82         | 50       | 56       | 61       | 67       | 75       | 90         |
| 42       | 44       | 49         | 56       | 59       | 66       | 79         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 57       | 62       | 67       | 74       | 91         |
| 43       | 44       | 50         | 56       | 59       | 66       | 80         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 57       | 63       | 67       | 75       | 91         |
| 44       | 45       | 50         | 56       | 59       | 66       | 80         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 58       | 63       | 67       | 75       | 91         |
| 45       | 45       | 51         | 56       | 59       | 66       | 80         | 47       | 51       | 57       | 61       | 68       | 84         | 51       | 58       | 63       | 67       | 75       | 92         |
| 46       | 45       | 51         | 56       | 60       | 66       | 81         | 47       | 51       | 57       | 61       | 68       | 84         | 52       | 58       | 63       | 67       | 75       | 92         |
| 47       | 46       | 52         | 56       | 60       | 67       | 81         | 47       | 52       | 57       | 61       | 68       | 84         | 52       | 58       | 63       | 67       | 76       | 92         |
| 48       | 47       | 53         | 57       | 61       | 67       | 83         | 48       | 53       | 58       | 62       | 69       | 86         | 53       | 59       | 64       | 68       | 77       | 94         |
| 49       | 48       | 54         | 58       | 62       | 68       | 86         | 49       | 54       | 59       | 63       | 70       | 88         | 53       | 59       | 65       | 69       | 78       | 96         |
| 50       | 49       | 55         | 59       | 63       | 69       | 88         | 50       | 55       | 60       | 64       | 71       | 90         | 54       | 60       | 66       | 70       | 79       | 99         |
| 51       | 50       | 55         | 61       | 64       | 70       | 90         | 51       | 56       | 61       | 65       | 72       | 92         | 55       | 61       | 67       | 70       | 80       | 101        |
| 52       | 50       | 56         | 62       | 65       | 71       | 92         | 51       | 57       | 61       | 66       | 73       | 94         | 56       | 61       | 68       | 71       | 81       | 103        |
| 53       | 51       | 57         | 63       | 66       | 73       | 95         | 52       | 58       | 63       | 67       | 75       | 97         | 56       | 62       | 69       | 73       | 83       | 106        |
| 54       | 52       | 58         | 64       | 68       | 75<br>77 | 97         | 53       | 59       | 64       | 69       | 77<br>70 | 100        | 57       | 63       | 70       | 75<br>76 | 85       | 108        |
| 55       | 52       | 59<br>50   | 65<br>66 | 69       | 77<br>70 | 100        | 53       | 59       | 66       | 71<br>72 | 79       | 102        | 58<br>50 | 65<br>66 | 72<br>73 | 76       | 86       | 111        |
| 56       | 53       | 59         | 66       | 71       | 79       | 103        | 54       | 60       | 67       |          | 81       | 105        | 59       | 66       | 73<br>75 | 78       | 88       | 113        |
| 57<br>58 | 54<br>57 | 60<br>63   | 67<br>70 | 72<br>76 | 81<br>85 | 105<br>111 | 55<br>57 | 61<br>64 | 69<br>72 | 74<br>78 | 82<br>87 | 107<br>114 | 59<br>62 | 67<br>70 | 75<br>78 | 80<br>84 | 90<br>95 | 116<br>123 |
| 59       | 59       | 66         | 70<br>74 | 80       | 89       | 117        | 60       | 67       | 72<br>76 | 82       | 91       | 120        | 66       | 73       | 82       | 88       | 100      | 130        |
| 60       | 62       | 69         | 74<br>78 | 84       | 94       | 122        | 63       | 70       | 76<br>79 | 86       | 96       | 126        | 69       | 76       | 86       | 93       | 105      | 136        |
| 61       | 65       | 71         | 81       | 88       | 98       | 128        | 66       | 73       | 83       | 90       | 100      | 132        | 72       | 70<br>79 | 90       | 97       | 109      | 143        |
| 62       | 68       | 74         | 85       | 92       | 102      | 133        | 68       | 76       | 86       | 94       | 105      | 139        | 75       | 82       | 93       | 101      | 114      | 150        |
| 63       | 74       | 81         | 93       | 101      | 113      | 147        | 75       | 83       | 95       | 104      | 116      | 152        | 82       | 90       | 103      | 112      | 126      | 165        |
| 64       | 80       | 88         | 102      | 110      | 123      | 161        | 81       | 90       | 103      | 113      | 126      | 166        | 88       | 98       | 113      | 122      | 137      | 181        |
| 65       | 86       | 95         | 110      | 119      | 133      | 175        | 87       | 97       | 112      | 122      | 137      | 180        | 95       | 105      | 122      | 133      | 149      | 196        |
| 66       | 93       | 102        | 119      | 129      | 143      | 188        | 94       | 104      | 121      | 132      | 147      | 194        | 102      | 113      | 132      | 143      | 160      | 211        |
| 67       | 99       | 109        | 127      | 138      | 153      | 202        | 100      | 111      | 129      | 141      | 158      | 208        | 109      | 121      | 141      | 153      | 172      | 227        |
| 68       | 112      | 123        | 143      | 157      | 175      | 226        | 113      | 126      | 146      | 161      | 180      | 234        | 123      | 137      | 160      | 175      | 196      | 255        |
| 69       | 125      | 137        | 160      | 177      | 196      | 251        | 127      | 140      | 163      | 182      | 202      | 259        | 138      | 153      | 178      | 197      | 221      | 283        |
| 70       | 138      | 152        | 176      | 196      | 217      | 275        | 140      | 155      | 180      | 202      | 225      | 285        | 152      | 169      | 197      | 219      | 245      | 311        |
| 71       | 151      | 166        | 192      | 215      | 239      | 299        | 153      | 170      | 197      | 222      | 247      | 311        | 167      | 185      | 215      | 241      | 270      | 339        |
| 72       | 164      | 180        | 208      | 235      | 260      | 323        | 167      | 185      | 214      | 242      | 269      | 337        | 181      | 201      | 233      | 263      | 294      | 367        |
| 73       | 185      | 204        | 236      | 268      | 296      | 367        | 189      | 209      | 242      | 276      | 307      | 382        | 205      | 228      | 264      | 300      | 335      | 417        |
| 74       | 206      | 228        | 263      | 301      | 333      | 410        | 211      | 234      | 271      | 310      | 345      | 427        | 229      | 255      | 295      | 338      | 377      | 466        |
| 75       | 228      | 252        | 290      | 334      | 370      | 453        | 233      | 258      | 299      | 344      | 384      | 472        | 253      | 281      | 326      | 375      | 418      | 515        |
| 76       | 249      | 276        | 317      | 367      | 406      | 497        | 254      | 283      | 328      | 379      | 422      | 517        | 277      | 308      | 357      | 412      | 459      | 564        |
| 77       | 271      | 299        | 345      | 399      | 443      | 540        | 276      | 307      | 356      | 413      | 460      | 563        | 301      | 335      | 388      | 449      | 500      | 613        |
| 78       | 303      | 335        | 385      | 437      | 489      | 592        | 309      | 344      | 397      | 451      | 508      | 617        | 336      | 375      | 433      | 491      | 553      | 673        |
| 79       | 335      | 370        | 425      | 475      | 536      | 645        | 342      | 380      | 439      | 490      | 555      | 672        | 372      | 414      | 478      | 533      | 605      | 732        |
| 80       | 367      | 406        | 466      | 512      | 582      | 697        | 375      | 416      | 480      | 528      | 603      | 727        | 408      | 454      | 523      | 575      | 657      | 792        |
| 81       | 399      | 442        | 506      | 550      | 629      | 750        | 407      | 453      | 521      | 567      | 651      | 781        | 443      | 494      | 568      | 618      | 710      | 851        |
| 82       | 431      | 477        | 546      | 587      | 675      | 802        | 440      | 489      | 563      | 605      | 699      | 836        | 479      | 533      | 614      | 660      | 762      | 911        |
| 83       | 475      | 526        | 604      | 652      | 749      | 890        | 485      | 539      | 622      | 672      | 776      | 928        | 517      | 588      | 679      | 732      | 846      | 1,012      |
| 86       | 579      | 650        | 759      | 834      | 964      | 1209       | 592      | 667      | 783      | 862      | 1002     | 1267       | 643      | 737      | 864      | 950      | 1109     | 1400       |
| 87       | 607      | 685        | 804      | 889      | 1031     | 1321       | 621      | 704      | 830      | 921      | 1073     | 1385       | 680      | 782      | 921      | 1020     | 1194     | 1538       |
| 88       | 635      | 721        | 850      | 945      | 1098     | 1433       | 650      | 740      | 877      | 979      | 1144     | 1503       | 716      | 827      | 978      | 1089     | 1279     | 1676       |
| 89       | 662      | 756<br>701 | 895      | 1001     | 1165     | 1544       | 679      | 777      | 924      | 1038     | 1214     | 1621       | 753      | 871      | 1035     | 1159     | 1364     | 1815       |
| 90       | 690      | 791        | 941      | 1057     | 1232     | 1656       | 708      | 813      | 971      | 1097     | 1285     | 1739       | 790      | 916      | 1092     | 1228     | 1449     | 1953       |
| 91       | 718      | 827        | 986      | 1112     | 1299     | 1768       | 737      | 850      | 1018     | 1156     | 1356     | 1858       | 827      | 961      | 1149     | 1298     | 1534     | 2091       |
| 92+      | 745      | 862        | 1032     | 1168     | 1366     | 1879       | 766      | 886      | 1065     | 1214     | 1427     | 1976       | 863      | 1006     | 1206     | 1367     | 1619     | 2230       |

Coverage Enhancement Rider Benefit Period Premium Rates Preferred Rate Class, 90 Day Elimination Period Rates are per \$10 Facility Care Daily Benefit

|                     |                  | Facility Care Be<br>ne and Commu |                  | efit             |                  | acility Care B   |                  | Benefit          |                  | acility Care E<br>ne and Comr |                  | Benefit          |
|---------------------|------------------|----------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------------------|------------------|------------------|
| From:<br>To:<br>Age | 2 year<br>3 year | 3 year<br>4 year                 | 4 year<br>5 year | 5 year<br>8 year | 2 year<br>3 year | 3 year<br>4 year | 4 year<br>5 year | 5 year<br>8 year | 2 year<br>3 year | 3 year<br>4 year              | 4 year<br>5 year | 5 year<br>8 year |
| 18-40               | 17               | 18                               | 18               | 22               | 17               | 19               | 20               | 22               | 19               | 20                            | 22               | 25               |
| 41                  | 17               | 18                               | 18               | 22               | 17               | 19               | 20               | 23               | 19               | 20                            | 22               | 25               |
| 42                  | 17               | 18                               | 18               | 22               | 17               | 19               | 19               | 23               | 19               | 20                            | 22               | 25               |
| 43                  | 16               | 18                               | 18               | 22               | 17               | 19               | 18               | 22               | 19               | 20                            | 21               | 24               |
| 44                  | 16               | 18                               | 17               | 21               | 16               | 18               | 18               | 21               | 19               | 19                            | 20               | 24               |
| 45                  | 16               | 17                               | 16               | 20               | 15               | 18               | 17               | 21               | 18               | 18                            | 19               | 23               |
| 46                  | 16               | 16                               | 16               | 20               | 15               | 17               | 17               | 20               | 17               | 18                            | 18               | 23               |
| 47                  | 16               | 15                               | 15               | 19               | 15               | 16               | 16               | 19               | 17               | 17                            | 17               | 23               |
| 48                  | 16               | 15                               | 15               | 19               | 15               | 16               | 16               | 20               | 17               | 18                            | 17               | 23               |
| 49                  | 16               | 16                               | 16               | 19               | 15               | 16               | 16               | 20               | 17               | 18                            | 17               | 23               |
| 50                  | 16               | 16                               | 16               | 19               | 15               | 16               | 17               | 20               | 17               | 18                            | 17               | 23               |
| 51                  | 16               | 17                               | 16               | 19               | 15               | 16               | 17               | 21               | 17               | 19                            | 17               | 23               |
| 52                  | 16               | 17                               | 16               | 19               | 15               | 16               | 17               | 21               | 17               | 19                            | 17               | 23               |
| 53                  | 16               | 17                               | 16               | 19               | 15               | 16               | 16               | 21               | 17               | 19                            | 17               | 23               |
| 54                  | 15               | 16                               | 15               | 19               | 15               | 16               | 16               | 20               | 17               | 18                            | 17               | 23               |
| 55                  | 15               | 16                               | 15               | 19               | 15               | 16               | 16               | 20               | 16               | 18                            | 16               | 23               |
| 56                  | 14               | 15                               | 15               | 19               | 14               | 16               | 15               | 19               | 16               | 17                            | 16               | 22               |
| 57                  | 14               | 15                               | 14               | 19               | 14               | 16               | 15               | 19               | 16               | 17                            | 15               | 21               |
| 58                  | 13               | 15                               | 14               | 18               | 13               | 16               | 14               | 18               | 15               | 17                            | 15               | 21               |
| 59                  | 12               | 15                               | 13               | 17               | 13               | 16               | 14               | 18               | 14               | 17                            | 15               | 20               |
| 60                  | 12               | 15                               | 13               | 17               | 12               | 15               | 14               | 17               | 13               | 16                            | 14               | 20               |
| 61                  | 11               | 15                               | 12               | 16               | 12               | 15               | 13               | 17               | 13               | 16                            | 14               | 19               |
| 62                  | 11               | 15                               | 13               | 16               | 12               | 15               | 13               | 17               | 12               | 16                            | 14               | 19               |
| 63                  | 11<br>12         | 16                               | 13<br>14         | 17               | 12<br>13         | 16               | 14<br>15         | 17               | 13<br>14         | 18<br>20                      | 14<br>15         | 20               |
| 64<br>65            | 13               | 18<br>20                         | 15               | 18<br>20         | 14               | 18<br>20         | 16               | 19<br>20         | 15               | 20                            | 16               | 21<br>23         |
| 66                  | 14               | 22                               | 16               | 21               | 15               | 22               | 17               | 22               | 16               | 24                            | 18               | 23               |
| 67                  | 15               | 24                               | 17               | 22               | 16               | 24               | 18               | 23               | 17               | 27                            | 19               | 26               |
| 68                  | 17               | 26                               | 21               | 25               | 18               | 27               | 22               | 26               | 19               | 30                            | 23               | 29               |
| 69                  | 18               | 29                               | 25               | 28               | 20               | 30               | 26               | 30               | 22               | 33                            | 28               | 33               |
| 70                  | 20               | 32                               | 29               | 31               | 22               | 32               | 30               | 33               | 24               | 36                            | 32               | 36               |
| 71                  | 22               | 34                               | 33               | 33               | 24               | 35               | 34               | 36               | 26               | 39                            | 37               | 40               |
| 72                  | 24               | 37                               | 37               | 36               | 26               | 38               | 38               | 39               | 29               | 42                            | 41               | 43               |
| 73                  | 28               | 41                               | 43               | 41               | 29               | 43               | 45               | 44               | 33               | 47                            | 49               | 49               |
| 74                  | 31               | 46                               | 50               | 47               | 33               | 48               | 52               | 50               | 37               | 53                            | 56               | 55               |
| 75                  | 35               | 50                               | 57               | 52               | 37               | 53               | 59               | 56               | 41               | 58                            | 64               | 61               |
| 76                  | 38               | 55                               | 64               | 57               | 40               | 58               | 66               | 61               | 45               | 64                            | 72               | 67               |
| 77                  | 42               | 60                               | 71               | 62               | 44               | 63               | 74               | 67               | 49               | 69                            | 79               | 73               |
| 78                  | 47               | 66                               | 70               | 73               | 49               | 70               | 73               | 78               | 54               | 76                            | 79               | 85               |
| 79                  | 51               | 73                               | 69               | 84               | 54               | 77               | 72               | 89               | 60               | 84                            | 78               | 97               |
| 80                  | 56               | 79                               | 69               | 95               | 59               | 84               | 71               | 100              | 66               | 91                            | 77               | 109              |
| 81                  | 61               | 86                               | 68               | 105              | 65               | 90               | 70               | 112              | 71               | 98                            | 76               | 121              |
| 84                  | 80               | 116                              | 86               | 143              | 85               | 123              | 89               | 152              | 105              | 134                           | 97               | 166              |
| 85                  | 89               | 128                              | 98               | 157              | 94               | 135              | 103              | 167              | 115              | 148                           | 112              | 185              |
| 86                  | 98               | 140                              | 111              | 170              | 103              | 147              | 117              | 182              | 125              | 162                           | 127              | 204              |
| 87                  | 107              | 152                              | 123              | 184              | 112              | 159              | 130              | 196              | 134              | 177                           | 142              | 223              |
| 88<br>89            | 116              | 164<br>175                       | 136              | 198<br>212       | 121              | 172              | 144              | 211              | 144              | 191                           | 158              | 242              |
| 90                  | 125<br>134       | 175<br>187                       | 148<br>160       | 212              | 130<br>139       | 184<br>196       | 158<br>172       | 226<br>240       | 154<br>164       | 205<br>220                    | 173<br>188       | 261<br>280       |
| 91                  | 143              | 199                              | 173              | 240              | 148              | 208              | 186              | 255              | 174              | 234                           | 203              | 298              |
| 92+                 | 152              | 211                              | 185              | 253              | 157              | 206              | 200              | 270              | 183              | 234<br>249                    | 203              | 296<br>317       |
| 32T                 | 102              | -11                              | 100              | 200              | 157              | 1                | 200              | 210              | 100              | 5                             | 210              | 317              |

#### Coverage Enhancement Rider Elimination Period Factors Preferred Rate Class

| From:    | 30 days      | 60 days      | 90 days      | 180 days     | 365 days     |
|----------|--------------|--------------|--------------|--------------|--------------|
| To:      | 7 days       | 30 days      | 60 days      | 90 days      | 180 days     |
| Age      | ,-           |              |              |              |              |
| 18-40    | 1.50         | 1.49         | 1.47         | 1.51         | 1.53         |
| 41       | 1.50         | 1.49         | 1.47         | 1.51         | 1.53         |
| 42       | 1.50         | 1.49         | 1.47         | 1.51         | 1.53         |
| 43       | 1.48         | 1.46         | 1.45         | 1.49         | 1.51         |
| 44       | 1.45         | 1.44         | 1.43         | 1.47         | 1.49         |
| 45       | 1.43         | 1.42         | 1.40         | 1.44         | 1.46         |
| 46       | 1.41         | 1.40         | 1.38         | 1.42         | 1.44         |
| 47       | 1.39         | 1.38         | 1.36         | 1.40         | 1.42         |
| 48       | 1.39         | 1.38         | 1.36         | 1.40         | 1.42         |
| 49<br>50 | 1.39<br>1.39 | 1.38<br>1.38 | 1.36<br>1.36 | 1.40<br>1.40 | 1.42<br>1.42 |
| 50<br>51 | 1.39         | 1.38         | 1.36         | 1.40         | 1.42         |
| 52       | 1.39         | 1.38         | 1.36         | 1.40         | 1.42         |
| 53       | 1.37         | 1.35         | 1.34         | 1.38         | 1.42         |
| 54       | 1.34         | 1.33         | 1.32         | 1.36         | 1.37         |
| 55       | 1.32         | 1.31         | 1.30         | 1.33         | 1.35         |
| 56       | 1.30         | 1.29         | 1.27         | 1.31         | 1.33         |
| 57       | 1.28         | 1.27         | 1.25         | 1.29         | 1.31         |
| 58       | 1.26         | 1.25         | 1.23         | 1.27         | 1.28         |
| 59       | 1.23         | 1.22         | 1.21         | 1.24         | 1.26         |
| 60       | 1.21         | 1.20         | 1.19         | 1.22         | 1.24         |
| 61       | 1.19         | 1.18         | 1.17         | 1.20         | 1.22         |
| 62       | 1.17         | 1.16         | 1.14         | 1.18         | 1.19         |
| 63       | 1.17         | 1.16         | 1.14         | 1.18         | 1.19         |
| 64       | 1.16         | 1.15         | 1.14         | 1.17         | 1.19         |
| 65       | 1.16         | 1.15         | 1.14         | 1.17         | 1.19         |
| 66       | 1.16         | 1.15         | 1.14         | 1.17         | 1.18         |
| 67       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 68       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 69<br>70 | 1.16         | 1.15         | 1.13         | 1.17<br>1.17 | 1.18         |
| 70<br>71 | 1.16<br>1.16 | 1.15<br>1.15 | 1.13<br>1.13 | 1.17         | 1.18<br>1.18 |
| 71       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 73       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 74       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 75       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 76       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 77       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 78       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 79       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 80       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 81       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 82       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 83       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 86       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 87       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 88       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 89       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 90<br>91 | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 91       | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |
| 92+      | 1.16         | 1.15         | 1.13         | 1.17         | 1.18         |

Base Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit
Daily Benefit range from \$50 - \$99

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age      | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   |
|----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| 18-40    | 40         | 43         | 47         | 50         | 55         | 64         | 41         | 45         | 49         | 51         | 57         | 67         | 46         | 51         | 53         | 57         | 62         | 74         |
| 41       | 40         | 43         | 47         | 50         | 55         | 64         | 41         | 45         | 49         | 52         | 58         | 67         | 46         | 51         | 53         | 57         | 63         | 74         |
| 42       | 40         | 43         | 48         | 51         | 56         | 65         | 41         | 45         | 50         | 52         | 58         | 68         | 46         | 51         | 54         | 58         | 63         | 75         |
| 43       | 41         | 45         | 49         | 52         | 57         | 67         | 42         | 46         | 51         | 53         | 59         | 69         | 47         | 52         | 55         | 59         | 65         | 76         |
| 44       | 42         | 46         | 50         | 53         | 58         | 68         | 43         | 47         | 52         | 54         | 60         | 71         | 48         | 53         | 56         | 60         | 66         | 78         |
| 45       | 43         | 48         | 51         | 54         | 59         | 69         | 44         | 48         | 53         | 55         | 61         | 72         | 49         | 54         | 57         | 61         | 67         | 79         |
| 46       | 44         | 49         | 52         | 55         | 60         | 71         | 45         | 49         | 54         | 56         | 62         | 74         | 50         | 55         | 59         | 62         | 68         | 80         |
| 47       | 45         | 51         | 53         | 56         | 61         | 72         | 47         | 50         | 55         | 57         | 63         | 75         | 51         | 57         | 60         | 63         | 70         | 82         |
| 48       | 46         | 51         | 54         | 57         | 62         | 74         | 47         | 51         | 56         | 58         | 63         | 77         | 52         | 57         | 61         | 64         | 70         | 84         |
| 49       | 46         | 52         | 55         | 58         | 63         | 76         | 48         | 52         | 56         | 59         | 64         | 78         | 52         | 57         | 61         | 64         | 71         | 85         |
| 50       | 47         | 52         | 55         | 58         | 63         | 78         | 48         | 53         | 57         | 60         | 65         | 80         | 53         | 58         | 62         | 65         | 72         | 87         |
| 51       | 48         | 53         | 56         | 59         | 64         | 79         | 49         | 54         | 57         | 60         | 66         | 82         | 54         | 58         | 63         | 65         | 73         | 89         |
| 52       | 49         | 54         | 57         | 60         | 65         | 81         | 50         | 54         | 58         | 61         | 67         | 83         | 55         | 58         | 64         | 66         | 74         | 91         |
| 53       | 50         | 55         | 60         | 63         | 68         | 85         | 51         | 56         | 61         | 64         | 70         | 87         | 57         | 61         | 66         | 69         | 77         | 95         |
| 54       | 52         | 57         | 62         | 66         | 72         | 89         | 53         | 58         | 63         | 67         | 74         | 91         | 58         | 63         | 69         | 72         | 81         | 99         |
| 55       | 54         | 59         | 64         | 68         | 75         | 94         | 55         | 60         | 66         | 70         | 77         | 95         | 60         | 65         | 72         | 75         | 85         | 104        |
| 56       | 56         | 61         | 67         | 71         | 79         | 98         | 57         | 62         | 68         | 73         | 80         | 100        | 62         | 67         | 74         | 79         | 88         | 108        |
| 57       | 58         | 63         | 69         | 74         | 82         | 102        | 58         | 63         | 71         | 76         | 84         | 104        | 64         | 70         | 77         | 82         | 92         | 112        |
| 58       | 62         | 67         | 75         | 80         | 89         | 110        | 63         | 68         | 77         | 82         | 91         | 113        | 69         | 75         | 84         | 89         | 99         | 122        |
| 59       | 67         | 72<br>70   | 81         | 86         | 96         | 119        | 67         | 73         | 83         | 89         | 98         | 122        | 74         | 80         | 90         | 95         | 107        | 132        |
| 60       | 71         | 76         | 87         | 92         | 102        | 128        | 72         | 78         | 88         | 95         | 105        | 132        | 79         | 85         | 97         | 102        | 114        | 143        |
| 61       | 76         | 81         | 92         | 98         | 109        | 136        | 76         | 83         | 94         | 101        | 112        | 141        | 84         | 90         | 103        | 109        | 122        | 153        |
| 62       | 80         | 86         | 98         | 105        | 116        | 145        | 81         | 87         | 100        | 108        | 119        | 150        | 89         | 95         | 109        | 116        | 129        | 163        |
| 63       | 88         | 94         | 108        | 116        | 128        | 160        | 89         | 96         | 110<br>119 | 119<br>131 | 132        | 166        | 97         | 104        | 120        | 129        | 143<br>157 | 180        |
| 64       | 95         | 103        | 117        | 127        | 140        | 175        | 96         | 105        |            |            | 145        | 181        | 105        | 114        | 130        | 141        |            | 197        |
| 65       | 103        | 111        | 126        | 139        | 152        | 191        | 104        | 113        | 129        | 142        | 159        | 197        | 114        | 123        | 141        | 154        | 170        | 214        |
| 66       | 111        | 120        | 136        | 150        | 165        | 206        | 112        | 122        | 138        | 154        | 172<br>185 | 212<br>228 | 122        | 133        | 151        | 167        | 184        | 231<br>248 |
| 67       | 118        | 128        | 145        | 161        | 177        | 221        | 120        | 131        | 148        | 165        |            | 257        | 130        | 142        | 162        | 180        | 198        |            |
| 68<br>69 | 135<br>151 | 145<br>163 | 164<br>182 | 184<br>207 | 202<br>227 | 249<br>277 | 137<br>153 | 149<br>166 | 168<br>187 | 189<br>213 | 211<br>236 | 287        | 148<br>167 | 162<br>181 | 183<br>204 | 205<br>231 | 227<br>255 | 281<br>313 |
| 70       | 167        | 180        | 201        | 230        | 252        | 305        | 170        | 184        | 207        | 236        | 262        | 316        | 185        | 201        | 204        | 257        | 284        | 345        |
| 71       | 183        | 197        | 219        | 252        | 277        | 333        | 186        | 202        | 227        | 260        | 287        | 346        | 203        | 220        | 246        | 283        | 313        | 377        |
| 72       | 199        | 214        | 238        | 275        | 302        | 360        | 203        | 220        | 247        | 284        | 313        | 375        | 203        | 239        | 267        | 309        | 342        | 409        |
| 73       | 226        | 243        | 271        | 314        | 344        | 409        | 230        | 250        | 280        | 324        | 357        | 426        | 251        | 272        | 302        | 352        | 390        | 464        |
| 74       | 253        | 272        | 303        | 352        | 387        | 457        | 258        | 279        | 314        | 363        | 401        | 476        | 281        | 304        | 337        | 395        | 438        | 519        |
| 75       | 280        | 301        | 336        | 391        | 430        | 505        | 286        | 309        | 347        | 403        | 446        | 526        | 312        | 337        | 373        | 439        | 486        | 574        |
| 76       | 307        | 330        | 369        | 429        | 472        | 553        | 313        | 339        | 381        | 443        | 490        | 577        | 342        | 369        | 408        | 482        | 533        | 628        |
| 77       | 334        | 359        | 401        | 468        | 515        | 602        | 341        | 369        | 414        | 483        | 534        | 627        | 372        | 402        | 443        | 526        | 581        | 683        |
| 78       | 376        | 403        | 446        | 511        | 564        | 660        | 384        | 413        | 460        | 527        | 585        | 688        | 419        | 450        | 495        | 574        | 642        | 749        |
| 79       | 419        | 446        | 491        | 554        | 614        | 718        | 427        | 458        | 506        | 571        | 636        | 749        | 466        | 499        | 546        | 622        | 703        | 816        |
| 80       | 461        | 490        | 535        | 597        | 663        | 777        | 471        | 502        | 552        | 615        | 687        | 810        | 513        | 548        | 598        | 670        | 764        | 882        |
| 81       | 504        | 533        | 580        | 640        | 712        | 835        | 514        | 547        | 597        | 659        | 738        | 870        | 560        | 596        | 650        | 719        | 825        | 948        |
| 82       | 547        | 577        | 624        | 682        | 762        | 894        | 558        | 591        | 643        | 703        | 789        | 931        | 607        | 645        | 701        | 767        | 886        | 1,015      |
| 83       | 601        | 636        | 690        | 757        | 845        | 991        | 614        | 652        | 711        | 780        | 876        | 1,035      | 655        | 711        | 776        | 850        | 983        | 1,127      |
| 84       | 663        | 700        | 763        | 839        | 937        | 1,099      | 677        | 719        | 787        | 865        | 971        | 1,148      | 721        | 783        | 857        | 943        | 1,091      | 1,252      |
| 97       | 000        | , 00       | , 55       | 000        | 007        | 1,000      | 0,,        | , , , ,    | , , ,      | 000        | 0, 1       | 1,140      | ,          | , 00       | 007        | 0-10       | 1,001      | 1,202      |

Base Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit
Daily Benefit range from \$100 - \$500

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age   | 2 year | 3 year | 4 year | 5 year | 8 year | Lifetime | 2 year | 3 year | 4 year | 5 year | 8 year | Lifetime | 2 year | 3 year | 4 year | 5 year | 8 year | Lifetime |
|-------|--------|--------|--------|--------|--------|----------|--------|--------|--------|--------|--------|----------|--------|--------|--------|--------|--------|----------|
| 18-40 | 32     | 36     | 40     | 42     | 47     | 57       | 33     | 37     | 41     | 44     | 49     | 60       | 37     | 41     | 45     | 49     | 54     | 66       |
| 41    | 32     | 36     | 40     | 42     | 47     | 57       | 33     | 37     | 41     | 45     | 50     | 60       | 37     | 41     | 45     | 49     | 55     | 66       |
| 42    | 32     | 36     | 41     | 43     | 48     | 58       | 33     | 37     | 42     | 45     | 50     | 61       | 37     | 42     | 46     | 50     | 55     | 67       |
| 43    | 33     | 37     | 42     | 44     | 49     | 60       | 34     | 38     | 43     | 45     | 51     | 62       | 38     | 43     | 47     | 50     | 56     | 68       |
| 44    | 34     | 38     | 42     | 45     | 50     | 61       | 35     | 39     | 44     | 46     | 51     | 63       | 39     | 44     | 48     | 51     | 57     | 69       |
| 45    | 35     | 39     | 43     | 46     | 51     | 62       | 36     | 39     | 45     | 47     | 52     | 64       | 40     | 44     | 48     | 52     | 58     | 71       |
| 46    | 36     | 40     | 44     | 47     | 52     | 63       | 37     | 40     | 45     | 48     | 53     | 66       | 40     | 45     | 49     | 53     | 59     | 72       |
| 47    | 36     | 41     | 44     | 47     | 53     | 64       | 38     | 41     | 46     | 49     | 54     | 67       | 41     | 46     | 50     | 53     | 60     | 73       |
| 48    | 37     | 42     | 45     | 48     | 54     | 66       | 38     | 42     | 47     | 49     | 55     | 68       | 42     | 47     | 51     | 54     | 61     | 75       |
| 49    | 37     | 43     | 46     | 49     | 54     | 68       | 38     | 43     | 47     | 50     | 56     | 70       | 42     | 47     | 52     | 55     | 62     | 77       |
| 50    | 38     | 43     | 47     | 50     | 55     | 70       | 39     | 44     | 48     | 51     | 56     | 72       | 43     | 48     | 52     | 55     | 62     | 78       |
| 51    | 39     | 44     | 47     | 51     | 56     | 71       | 39     | 45     | 48     | 51     | 57     | 73       | 43     | 48     | 53     | 56     | 63     | 80       |
| 52    | 39     | 45     | 48     | 51     | 56     | 73       | 40     | 45     | 49     | 52     | 58     | 75       | 44     | 49     | 54     | 57     | 64     | 82       |
| 53    | 41     | 46     | 50     | 54     | 59     | 77       | 41     | 47     | 51     | 54     | 61     | 78       | 45     | 50     | 56     | 59     | 67     | 85       |
| 54    | 42     | 47     | 52     | 56     | 62     | 80       | 43     | 48     | 53     | 57     | 63     | 82       | 47     | 52     | 58     | 61     | 70     | 89       |
| 55    | 43     | 49     | 54     | 58     | 64     | 84       | 44     | 50     | 55     | 59     | 66     | 85       | 48     | 54     | 60     | 64     | 72     | 93       |
| 56    | 45     | 50     | 56     | 60     | 67     | 87       | 45     | 51     | 57     | 61     | 68     | 89       | 50     | 56     | 62     | 66     | 75     | 96       |
| 57    | 46     | 52     | 57     | 62     | 69     | 91       | 47     | 52     | 59     | 64     | 71     | 93       | 51     | 58     | 64     | 69     | 78     | 100      |
| 58    | 50     | 55     | 62     | 67     | 75     | 98       | 50     | 56     | 64     | 69     | 77     | 100      | 55     | 62     | 69     | 74     | 84     | 108      |
| 59    | 53     | 59     | 66     | 72     | 80     | 105      | 54     | 60     | 68     | 74     | 82     | 108      | 59     | 66     | 74     | 79     | 90     | 117      |
| 60    | 57     | 63     | 71     | 77     | 86     | 112      | 57     | 64     | 72     | 79     | 88     | 115      | 63     | 70     | 79     | 85     | 96     | 125      |
| 61    | 60     | 66     | 75     | 82     | 91     | 119      | 61     | 68     | 77     | 84     | 93     | 123      | 67     | 74     | 84     | 90     | 102    | 133      |
| 62    | 64     | 70     | 80     | 86     | 97     | 126      | 64     | 72     | 81     | 89     | 99     | 131      | 71     | 78     | 89     | 96     | 108    | 142      |
| 63    | 70     | 77     | 88     | 95     | 106    | 139      | 70     | 78     | 90     | 98     | 110    | 144      | 77     | 85     | 98     | 106    | 119    | 156      |
| 64    | 76     | 83     | 96     | 104    | 116    | 152      | 76     | 85     | 98     | 107    | 121    | 158      | 84     | 93     | 107    | 116    | 130    | 171      |
| 65    | 82     | 90     | 105    | 113    | 126    | 166      | 83     | 92     | 106    | 116    | 131    | 171      | 90     | 100    | 116    | 126    | 141    | 186      |
| 66    | 88     | 97     | 113    | 122    | 136    | 179      | 89     | 99     | 115    | 125    | 142    | 185      | 97     | 107    | 126    | 136    | 152    | 201      |
| 67    | 94     | 103    | 121    | 131    | 146    | 192      | 95     | 106    | 123    | 134    | 153    | 198      | 103    | 115    | 135    | 146    | 164    | 216      |
| 68    | 106    | 117    | 136    | 150    | 166    | 216      | 108    | 120    | 140    | 154    | 174    | 223      | 117    | 130    | 152    | 167    | 187    | 243      |
| 69    | 119    | 131    | 152    | 168    | 187    | 239      | 121    | 134    | 156    | 173    | 194    | 247      | 131    | 146    | 170    | 188    | 210    | 270      |
| 70    | 131    | 144    | 167    | 187    | 207    | 262      | 133    | 148    | 173    | 192    | 215    | 272      | 145    | 161    | 187    | 209    | 234    | 296      |
| 71    | 143    | 158    | 183    | 205    | 227    | 285      | 146    | 162    | 189    | 211    | 236    | 296      | 159    | 176    | 205    | 230    | 257    | 323      |
| 72    | 155    | 172    | 198    | 224    | 247    | 308      | 159    | 176    | 206    | 231    | 257    | 321      | 173    | 192    | 222    | 251    | 280    | 350      |
| 73    | 176    | 194    | 226    | 255    | 282    | 349      | 179    | 199    | 234    | 263    | 293    | 364      | 195    | 217    | 252    | 286    | 319    | 397      |
| 74    | 196    | 217    | 253    | 286    | 317    | 390      | 200    | 222    | 262    | 296    | 329    | 407      | 218    | 242    | 281    | 321    | 359    | 443      |
| 75    | 216    | 240    | 280    | 318    | 352    | 432      | 221    | 246    | 290    | 328    | 365    | 450      | 241    | 268    | 311    | 357    | 398    | 490      |
| 76    | 236    | 262    | 307    | 349    | 387    | 473      | 241    | 269    | 317    | 361    | 402    | 493      | 264    | 293    | 340    | 392    | 437    | 537      |
| 77    | 257    | 285    | 334    | 380    | 422    | 514      | 262    | 293    | 345    | 393    | 438    | 536      | 286    | 319    | 369    | 427    | 477    | 584      |
| 78    | 288    | 319    | 372    | 416    | 462    | 564      | 293    | 327    | 383    | 430    | 480    | 588      | 320    | 357    | 412    | 468    | 526    | 640      |
| 79    | 318    | 353    | 409    | 452    | 503    | 614      | 325    | 362    | 422    | 466    | 521    | 640      | 354    | 395    | 455    | 508    | 576    | 697      |
| 80    | 349    | 387    | 446    | 488    | 543    | 664      | 356    | 396    | 460    | 503    | 563    | 692      | 388    | 432    | 498    | 548    | 626    | 754      |
| 81    | 380    | 420    | 483    | 524    | 584    | 714      | 388    | 431    | 498    | 540    | 605    | 744      | 422    | 470    | 541    | 588    | 676    | 810      |
| 82    | 411    | 454    | 520    | 559    | 625    | 764      | 419    | 466    | 536    | 576    | 647    | 796      | 456    | 508    | 584    | 629    | 726    | 867      |
| 83    | 452    | 501    | 575    | 621    | 693    | 847      | 462    | 513    | 593    | 640    | 718    | 884      | 493    | 560    | 646    | 697    | 805    | 963      |
| 84    | 499    | 551    | 636    | 688    | 768    | 939      | 509    | 566    | 656    | 709    | 796    | 981      | 542    | 616    | 714    | 773    | 894    | 1,070    |
| 3.1   |        |        |        |        |        |          |        |        |        |        |        | ,        |        |        |        |        |        | .,       |

#### Generation Protector 2 (Proposed)

#### **Rider Premium Rates and Premium Factors**

| Factors applied to b | pase premium rat | es           |              |              |                  |              |              |              |                |                |              |                    |                        |                   |
|----------------------|------------------|--------------|--------------|--------------|------------------|--------------|--------------|--------------|----------------|----------------|--------------|--------------------|------------------------|-------------------|
| Rate Increase        | 80%              | 70%          | 50%          | 50%          | 50%<br><b>5%</b> | 0%           | 0%           | 0%           | 0%             | 0%<br>Full     | 0%           |                    |                        |                   |
|                      | 5%               | 4%           | 3%           | 5%           | Compound         |              |              |              | Return of      | Return of      |              |                    |                        |                   |
|                      | Compound         | Compound     | Compound     | Simple       | COLA             |              | Paid-up      |              | Premium        | Premium        | Spousal      | Benefit            | Restoration            |                   |
| Age                  | COLA             | COLA         | COLA         | COLA         | w/ 2x Cap        | 10-pay       | at age 65    | SBP          | Upon Death     | Upon Death     | Survivorship | Period             | of Benefits            |                   |
| 18-40                | 4.79             | 3.84         | 2.78         | 2.69         | 2.40             | 3.72         | 1.75         | 1.20         | 1.30           | 1.49           | 1.12         | 2 year             | 1.08                   |                   |
| 41                   | 4.79             | 3.84         | 2.78         | 2.69         | 2.40             | 3.72         | 1.75         | 1.20         | 1.30           | 1.49           | 1.12         | 3 year             | 1.05                   |                   |
| 42<br>43             | 4.79<br>4.77     | 3.84<br>3.83 | 2.78<br>2.78 | 2.69<br>2.69 | 2.40<br>2.40     | 3.72<br>3.63 | 1.75<br>1.78 | 1.20<br>1.20 | 1.30<br>1.32   | 1.49<br>1.51   | 1.12<br>1.12 | 4 year<br>5 year   | 1.04<br>1.04           |                   |
| 43                   | 4.77             | 3.81         | 2.78         | 2.69         | 2.40             | 3.53         | 1.80         | 1.20         | 1.34           | 1.53           | 1.12         | 8 year             | 1.04                   |                   |
| 45                   | 4.73             | 3.81         | 2.78         | 2.70         | 2.40             | 3.44         | 1.83         | 1.21         | 1.35           | 1.56           | 1.12         | Lifetime           | N / A                  |                   |
| 46                   | 4.72             | 3.79         | 2.78         | 2.70         | 2.40             | 3.34         | 1.85         | 1.21         | 1.37           | 1.58           | 1.12         |                    |                        |                   |
| 47                   | 4.70             | 3.77         | 2.78         | 2.70         | 2.40             | 3.25         | 1.88         | 1.21         | 1.39           | 1.60           | 1.12         |                    | Spousal                | Spousal           |
| 48                   | 4.66             | 3.76         | 2.78         | 2.69         | 2.40             | 3.18         | 1.95         | 1.21         | 1.41           | 1.62           | 1.12         |                    | Shared Care            | Shared Care       |
| 49                   | 4.63             | 3.74         | 2.78         | 2.69         | 2.40             | 3.10         | 2.03         | 1.22         | 1.43           | 1.65           | 1.12         | Benefit            | (with no               | (with 1 yr        |
| 50<br>51             | 4.61<br>4.57     | 3.74<br>3.72 | 2.76<br>2.76 | 2.67<br>2.67 | 2.40<br>2.40     | 3.03<br>2.95 | 2.10<br>2.18 | 1.22<br>1.22 | 1.45<br>1.47   | 1.67<br>1.70   | 1.12<br>1.12 | Period             | residual)<br>1.21      | residual)<br>1.12 |
| 52                   | 4.54             | 3.72         | 2.76         | 2.66         | 2.40             | 2.88         | 2.16         | 1.22         | 1.47           | 1.70           | 1.12         | 2 year<br>3 year   | 1.14                   | 1.12              |
| 53                   | 4.43             | 3.64         | 2.72         | 2.64         | 2.40             | 2.81         | 2.39         | 1.23         | 1.52           | 1.76           | 1.12         | 4 year             | 1.09                   | 1.08              |
| 54                   | 4.32             | 3.55         | 2.67         | 2.63         | 2.40             | 2.74         | 2.52         | 1.23         | 1.56           | 1.80           | 1.12         | 5 year             | 1.06                   | 1.05              |
| 55                   | 4.19             | 3.49         | 2.64         | 2.61         | 2.40             | 2.66         | -            | 1.23         | 1.59           | 1.84           | 1.12         | 8 year             | 1.02                   | 1.02              |
| 56                   | 4.09             | 3.40         | 2.60         | 2.60         | 2.40             | 2.59         | -            | 1.23         | 1.62           | 1.89           | 1.11         | Lifetime           | N / A                  | N/A               |
| 57                   | 3.98             | 3.33         | 2.55         | 2.58         | 2.40             | 2.52         | -            | 1.24         | 1.66           | 1.93           | 1.11         |                    |                        |                   |
| 58                   | 3.92             | 3.30         | 2.52         | 2.57         | 2.40             | 2.45         | -            | 1.24         | 1.69           | 1.97           | 1.11         |                    | enefits and Shared Car |                   |
| 59<br>60             | 3.87<br>3.83     | 3.25<br>3.21 | 2.49<br>2.46 | 2.55<br>2.55 | 2.39<br>2.39     | 2.37<br>2.30 | -            | 1.24<br>1.24 | 1.73<br>1.76   | 2.01<br>2.05   | 1.11<br>1.11 | not available with | Lifetime benefit perio | d option.         |
| 61                   | 3.78             | 3.21         | 2.46         | 2.55         | 2.39             | 2.30         | -            | 1.25         | 1.79           | 2.10           | 1.11         | HCC Monthly Be     | nofit                  | 1.06              |
| 62                   | 3.73             | 3.13         | 2.43         | 2.52         | 2.37             | 2.15         |              | 1.25         | 1.83           | 2.14           | 1.11         | Spousal Waiver     |                        | 1.03              |
| 63                   | 3.65             | 3.08         | 2.37         | 2.49         | 2.36             | 2.08         | _            | 1.25         | 1.90           | 2.23           | 1.11         | HCC Calendar D     |                        | 1.02              |
| 64                   | 3.58             | 3.03         | 2.34         | 2.46         | 2.34             | 2.02         | -            | 1.25         | 1.98           | 2.33           | 1.11         | Waiver of HCC E    |                        | 1.12              |
| 65                   | 3.49             | 2.96         | 2.31         | 2.45         | 2.34             | 1.95         | -            | 1.26         | 2.06           | 2.43           | 1.11         |                    |                        |                   |
| 66                   | 3.42             | 2.91         | 2.28         | 2.42         | 2.33             | 1.89         | -            | 1.26         | 2.14           | 2.53           | 1.10         | Monthly Indemn     | ity Benefit            |                   |
| 67                   | 3.35             | 2.86         | 2.25         | 2.39         | 2.31             | 1.82         | -            | 1.26         | 2.23           | 2.64           | 1.10         | 10%                |                        | 1.04              |
| 68<br>69             | 3.28<br>3.20     | 2.81<br>2.75 | 2.22<br>2.19 | 2.36<br>2.33 | 2.30<br>2.28     | 1.76<br>1.71 | -            | 1.26<br>1.27 | 2.36<br>2.50   | 2.81<br>3.00   | 1.10<br>1.10 | 25%<br>50%         |                        | 1.10<br>1.23      |
| 70                   | 3.20             | 2.75         | 2.19         | 2.33         | 2.26             | 1.65         |              | 1.27         | 2.65           | 3.00           | 1.10         | 100% (age < 60)    |                        | 2.57              |
| 71                   | 3.06             | 2.65         | 2.13         | 2.28         | 2.25             | 1.60         | _            | 1.27         | 2.80           | 3.40           | 1.08         | 100% (age < 60+)   |                        | 2.23              |
| 72                   | 2.99             | 2.60         | 2.10         | 2.25         | 2.24             | 1.54         | -            | 1.27         | 2.97           | 3.62           | 1.07         | , (ag)             |                        |                   |
| 73                   | 2.93             | 2.57         | 2.09         | 2.22         | 2.22             | 1.48         | -            | 1.28         | 3.54           | 4.54           | 1.06         | Elimination Peri   | od Factors             |                   |
| 74                   | 2.88             | 2.53         | 2.06         | 2.21         | 2.21             | 1.42         | -            | 1.28         | 4.23           | 5.71           | 1.05         | 7 Day              |                        | 1.30              |
| 75                   | 2.83             | 2.48         | 2.04         | 2.18         | 2.18             | 1.37         | -            | 1.28         | 5.06           | 7.21           | 1.04         | 30 Day             |                        | 1.18              |
| 76<br>77             | 2.77             | 2.45         | 2.01<br>2.00 | 2.16<br>2.13 | 2.16             | 1.31         | -            | 1.28         | 5.82           | 9.15           | 1.03         | 60 Day             |                        | 1.08              |
| 77                   | 2.72<br>2.68     | 2.41<br>2.38 | 1.98         | 2.13         | 2.15<br>2.13     | 1.25<br>1.22 |              | 1.29<br>1.29 | 6.07<br>7.28   | 11.66<br>13.99 | 1.02<br>1.02 | 90 Day<br>180 Day  |                        | 1.00<br>0.90      |
| 79                   | 2.63             | 2.35         | 1.95         | 2.12         | 2.12             | 1.19         |              | 1.29         | 8.74           | 16.79          | 1.02         | 365 Day            |                        | 0.80              |
| 80                   | 2.59             | 2.33         | 1.94         | 2.07         | 2.10             | 1.16         | _            | 1.29         | 10.48          | 20.15          | 1.02         | ooo bay            |                        | 0.00              |
| 81                   | 2.54             | 2.30         | 1.91         | 2.06         | 2.09             | 1.13         | -            | 1.30         | 10.48          | 20.15          | 1.02         | Risk Class Facto   | ors                    |                   |
| 82                   | 2.50             | 2.26         | 1.89         | 2.04         | 2.07             | 1.10         | -            | 1.30         | 10.48          | 20.15          | 1.02         | Preferred Plus     |                        | 0.85              |
| 83                   | 2.47             | 2.23         | 1.88         | 2.03         | 2.04             | 1.09         | -            | 1.30         | 10.48          | 20.15          | 1.02         | Preferred          |                        | 1.00              |
| 84                   | 2.43             | 2.21         | 1.86         | 2.01         | 2.01             | 1.08         | -            | 1.30         | 10.48          | 20.15          | 1.02         | Standard           |                        | 1.20              |
| 85                   | 2.41             | 2.19         | 1.85         | 1.98         | 2.00             | 0            | 0            | 1.30         | 10.48          | 20.15          | 1.02         | Select I           |                        | 1.50              |
| 88<br>89             | 2.32             | 2.13         | 1.80         | 1.92         | 1.94             | -            | -            | 1.30         | 10.48          | 20.15          | 1.02         | Select IV          |                        | 3.00              |
| 90                   | 2.30<br>2.27     | 2.09<br>2.07 | 1.77<br>1.76 | 1.89<br>1.86 | 1.92<br>1.89     | -            | -            | 1.30<br>1.30 | 10.48<br>10.48 | 20.15<br>20.15 | 1.02<br>1.02 | Discount Factor    | •                      |                   |
| 91                   | 2.25             | 2.04         | 1.74         | 1.85         | 1.88             | -            | -            | 1.30         | 10.48          | 20.15          | 1.02         | Married            | <u> </u>               | 0.90              |
| 92+                  | 2.21             | 2.02         | 1.73         | 1.82         | 1.85             | -            | -            | 1.30         | 10.48          | 20.15          | 1.02         | Spousal            |                        | 0.70              |
| 1                    | •                |              | -            |              |                  |              |              |              | - 1-           |                |              | Facility Care Only | / Endorsement          | 0.90              |
|                      |                  |              |              |              |                  |              |              |              |                |                |              |                    |                        |                   |

Coverage Enhancement Rider
Daily Benefit Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age      | 2 year   | 3 year     | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   |
|----------|----------|------------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|
| 18-40    | 44       | 49         | 54       | 57       | 64       | 78         | 45       | 50       | 56       | 61       | 67       | 82         | 50       | 56       | 61       | 67       | 73       | 90         |
| 41       | 44       | 49         | 54       | 57       | 64       | 78         | 45       | 50       | 56       | 61       | 68       | 82         | 50       | 56       | 61       | 67       | 75       | 90         |
| 42       | 44       | 49         | 56       | 59       | 66       | 79         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 57       | 62       | 67       | 74       | 91         |
| 43       | 44       | 50         | 56       | 59       | 66       | 80         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 57       | 63       | 67       | 75       | 91         |
| 44       | 45       | 50         | 56       | 59       | 66       | 80         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 58       | 63       | 67       | 75       | 91         |
| 45       | 45       | 51         | 56       | 59       | 66       | 80         | 47       | 51       | 57       | 61       | 68       | 84         | 51       | 58       | 63       | 67       | 75       | 92         |
| 46       | 45       | 51         | 56       | 60       | 66       | 81         | 47       | 51       | 57       | 61       | 68       | 84         | 52       | 58       | 63       | 67       | 75       | 92         |
| 47       | 46       | 52         | 56       | 60       | 67       | 81         | 47       | 52       | 57       | 61       | 68       | 84         | 52       | 58       | 63       | 67       | 76       | 92         |
| 48       | 47       | 53         | 57       | 61       | 67       | 83         | 48       | 53       | 58       | 62       | 69       | 86         | 53       | 59       | 64       | 68       | 77       | 94         |
| 49       | 48       | 54         | 58       | 62       | 68       | 86         | 49       | 54       | 59       | 63       | 70       | 88         | 53       | 59       | 65       | 69       | 78       | 96         |
| 50       | 49       | 55         | 59       | 63       | 69       | 88         | 50       | 55       | 60       | 64       | 71       | 90         | 54       | 60       | 66       | 70       | 79       | 99         |
| 51       | 50       | 55         | 61       | 64       | 70       | 90         | 51       | 56       | 61       | 65       | 72       | 92         | 55       | 61       | 67       | 70       | 80       | 101        |
| 52       | 50       | 56         | 62       | 65       | 71       | 92         | 51       | 57       | 61       | 66       | 73       | 94         | 56       | 61       | 68       | 71       | 81       | 103        |
| 53       | 51       | 57         | 63       | 66       | 73       | 95         | 52       | 58       | 63       | 67       | 75       | 97         | 56       | 62       | 69       | 73       | 83       | 106        |
| 54       | 52       | 58         | 64       | 68       | 75<br>77 | 97         | 53       | 59       | 64       | 69       | 77<br>70 | 100        | 57       | 63       | 70       | 75<br>76 | 85       | 108        |
| 55       | 52       | 59<br>50   | 65<br>66 | 69       | 77<br>70 | 100        | 53       | 59       | 66<br>67 | 71<br>72 | 79       | 102        | 58<br>50 | 65<br>66 | 72<br>73 | 76       | 86       | 111        |
| 56       | 53       | 59         | 66       | 71       | 79       | 103        | 54       | 60       | 67       |          | 81       | 105        | 59       | 66       | 73<br>75 | 78       | 88       | 113        |
| 57<br>58 | 54<br>57 | 60<br>63   | 67<br>70 | 72<br>76 | 81<br>85 | 105<br>111 | 55<br>57 | 61<br>64 | 69<br>72 | 74<br>78 | 82<br>87 | 107<br>114 | 59<br>62 | 67<br>70 | 75<br>78 | 80<br>84 | 90<br>95 | 116<br>123 |
| 59       | 59       | 66         | 70<br>74 | 80       | 89       | 117        | 60       | 67       | 72<br>76 | 82       | 91       | 120        | 66       | 73       | 82       | 88       | 100      | 130        |
| 60       | 62       | 69         | 74<br>78 | 84       | 94       | 122        | 63       | 70       | 76<br>79 | 86       | 96       | 126        | 69       | 76       | 86       | 93       | 105      | 136        |
| 61       | 65       | 71         | 81       | 88       | 98       | 128        | 66       | 73       | 83       | 90       | 100      | 132        | 72       | 70<br>79 | 90       | 97       | 109      | 143        |
| 62       | 68       | 74         | 85       | 92       | 102      | 133        | 68       | 76       | 86       | 94       | 105      | 139        | 75       | 82       | 93       | 101      | 114      | 150        |
| 63       | 74       | 81         | 93       | 101      | 113      | 147        | 75       | 83       | 95       | 104      | 116      | 152        | 82       | 90       | 103      | 112      | 126      | 165        |
| 64       | 80       | 88         | 102      | 110      | 123      | 161        | 81       | 90       | 103      | 113      | 126      | 166        | 88       | 98       | 113      | 122      | 137      | 181        |
| 65       | 86       | 95         | 110      | 119      | 133      | 175        | 87       | 97       | 112      | 122      | 137      | 180        | 95       | 105      | 122      | 133      | 149      | 196        |
| 66       | 93       | 102        | 119      | 129      | 143      | 188        | 94       | 104      | 121      | 132      | 147      | 194        | 102      | 113      | 132      | 143      | 160      | 211        |
| 67       | 99       | 109        | 127      | 138      | 153      | 202        | 100      | 111      | 129      | 141      | 158      | 208        | 109      | 121      | 141      | 153      | 172      | 227        |
| 68       | 112      | 123        | 143      | 157      | 175      | 226        | 113      | 126      | 146      | 161      | 180      | 234        | 123      | 137      | 160      | 175      | 196      | 255        |
| 69       | 125      | 137        | 160      | 177      | 196      | 251        | 127      | 140      | 163      | 182      | 202      | 259        | 138      | 153      | 178      | 197      | 221      | 283        |
| 70       | 138      | 152        | 176      | 196      | 217      | 275        | 140      | 155      | 180      | 202      | 225      | 285        | 152      | 169      | 197      | 219      | 245      | 311        |
| 71       | 151      | 166        | 192      | 215      | 239      | 299        | 153      | 170      | 197      | 222      | 247      | 311        | 167      | 185      | 215      | 241      | 270      | 339        |
| 72       | 164      | 180        | 208      | 235      | 260      | 323        | 167      | 185      | 214      | 242      | 269      | 337        | 181      | 201      | 233      | 263      | 294      | 367        |
| 73       | 185      | 204        | 236      | 268      | 296      | 367        | 189      | 209      | 242      | 276      | 307      | 382        | 205      | 228      | 264      | 300      | 335      | 417        |
| 74       | 206      | 228        | 263      | 301      | 333      | 410        | 211      | 234      | 271      | 310      | 345      | 427        | 229      | 255      | 295      | 338      | 377      | 466        |
| 75       | 228      | 252        | 290      | 334      | 370      | 453        | 233      | 258      | 299      | 344      | 384      | 472        | 253      | 281      | 326      | 375      | 418      | 515        |
| 76       | 249      | 276        | 317      | 367      | 406      | 497        | 254      | 283      | 328      | 379      | 422      | 517        | 277      | 308      | 357      | 412      | 459      | 564        |
| 77       | 271      | 299        | 345      | 399      | 443      | 540        | 276      | 307      | 356      | 413      | 460      | 563        | 301      | 335      | 388      | 449      | 500      | 613        |
| 78       | 303      | 335        | 385      | 437      | 489      | 592        | 309      | 344      | 397      | 451      | 508      | 617        | 336      | 375      | 433      | 491      | 553      | 673        |
| 79       | 335      | 370        | 425      | 475      | 536      | 645        | 342      | 380      | 439      | 490      | 555      | 672        | 372      | 414      | 478      | 533      | 605      | 732        |
| 80       | 367      | 406        | 466      | 512      | 582      | 697        | 375      | 416      | 480      | 528      | 603      | 727        | 408      | 454      | 523      | 575      | 657      | 792        |
| 81       | 399      | 442        | 506      | 550      | 629      | 750        | 407      | 453      | 521      | 567      | 651      | 781        | 443      | 494      | 568      | 618      | 710      | 851        |
| 82       | 431      | 477        | 546      | 587      | 675      | 802        | 440      | 489      | 563      | 605      | 699      | 836        | 479      | 533      | 614      | 660      | 762      | 911        |
| 83       | 475      | 526        | 604      | 652      | 749      | 890        | 485      | 539      | 622      | 672      | 776      | 928        | 517      | 588      | 679      | 732      | 846      | 1,012      |
| 86       | 579      | 650        | 759      | 834      | 964      | 1209       | 592      | 667      | 783      | 862      | 1002     | 1267       | 643      | 737      | 864      | 950      | 1109     | 1400       |
| 87       | 607      | 685        | 804      | 889      | 1031     | 1321       | 621      | 704      | 830      | 921      | 1073     | 1385       | 680      | 782      | 921      | 1020     | 1194     | 1538       |
| 88       | 635      | 721        | 850      | 945      | 1098     | 1433       | 650      | 740      | 877      | 979      | 1144     | 1503       | 716      | 827      | 978      | 1089     | 1279     | 1676       |
| 89       | 662      | 756<br>701 | 895      | 1001     | 1165     | 1544       | 679      | 777      | 924      | 1038     | 1214     | 1621       | 753      | 871      | 1035     | 1159     | 1364     | 1815       |
| 90       | 690      | 791        | 941      | 1057     | 1232     | 1656       | 708      | 813      | 971      | 1097     | 1285     | 1739       | 790      | 916      | 1092     | 1228     | 1449     | 1953       |
| 91       | 718      | 827        | 986      | 1112     | 1299     | 1768       | 737      | 850      | 1018     | 1156     | 1356     | 1858       | 827      | 961      | 1149     | 1298     | 1534     | 2091       |
| 92+      | 745      | 862        | 1032     | 1168     | 1366     | 1879       | 766      | 886      | 1065     | 1214     | 1427     | 1976       | 863      | 1006     | 1206     | 1367     | 1619     | 2230       |

Coverage Enhancement Rider Benefit Period Premium Rates Preferred Rate Class, 90 Day Elimination Period Rates are per \$10 Facility Care Daily Benefit

|                     |                  | Facility Care Be |                  | efit             |                  | acility Care E<br>ne and Comr |                  | Benefit          |                  | acility Care E<br>ne and Comr |                  | Benefit          |
|---------------------|------------------|------------------|------------------|------------------|------------------|-------------------------------|------------------|------------------|------------------|-------------------------------|------------------|------------------|
| From:<br>To:<br>Age | 2 year<br>3 year | 3 year<br>4 year | 4 year<br>5 year | 5 year<br>8 year | 2 year<br>3 year | 3 year<br>4 year              | 4 year<br>5 year | 5 year<br>8 year | 2 year<br>3 year | 3 year<br>4 year              | 4 year<br>5 year | 5 year<br>8 year |
| 18-40               | 17               | 18               | 18               | 22               | 17               | 19                            | 20               | 22               | 19               | 20                            | 22               | 25               |
| 41                  | 17               | 18               | 18               | 22               | 17               | 19                            | 20               | 23               | 19               | 20                            | 22               | 25               |
| 42                  | 17               | 18               | 18               | 22               | 17               | 19                            | 19               | 23               | 19               | 20                            | 22               | 25               |
| 43                  | 16               | 18               | 18               | 22               | 17               | 19                            | 18               | 22               | 19               | 20                            | 21               | 24               |
| 44                  | 16               | 18               | 17               | 21               | 16               | 18                            | 18               | 21               | 19               | 19                            | 20               | 24               |
| 45                  | 16               | 17               | 16               | 20               | 15               | 18                            | 17               | 21               | 18               | 18                            | 19               | 23               |
| 46                  | 16               | 16               | 16               | 20               | 15               | 17                            | 17               | 20               | 17               | 18                            | 18               | 23               |
| 47                  | 16               | 15               | 15               | 19               | 15               | 16                            | 16               | 19               | 17               | 17                            | 17               | 23               |
| 48                  | 16               | 15               | 15               | 19               | 15               | 16                            | 16               | 20               | 17               | 18                            | 17               | 23               |
| 49                  | 16               | 16               | 16               | 19               | 15               | 16                            | 16               | 20               | 17               | 18                            | 17               | 23               |
| 50                  | 16               | 16               | 16               | 19               | 15               | 16                            | 17               | 20               | 17               | 18                            | 17               | 23               |
| 51                  | 16               | 17               | 16               | 19               | 15               | 16                            | 17               | 21               | 17               | 19                            | 17               | 23               |
| 52                  | 16               | 17               | 16               | 19               | 15               | 16                            | 17               | 21               | 17               | 19                            | 17               | 23               |
| 53                  | 16               | 17               | 16               | 19               | 15               | 16                            | 16               | 21               | 17               | 19                            | 17               | 23               |
| 54                  | 15               | 16               | 15               | 19               | 15               | 16                            | 16               | 20               | 17               | 18                            | 17               | 23               |
| 55                  | 15               | 16               | 15               | 19               | 15               | 16                            | 16               | 20               | 16               | 18                            | 16               | 23               |
| 56                  | 14               | 15               | 15               | 19               | 14               | 16                            | 15               | 19               | 16               | 17                            | 16               | 22               |
| 57                  | 14<br>13         | 15<br>15         | 14<br>14         | 19<br>18         | 14<br>13         | 16                            | 15<br>14         | 19<br>18         | 16<br>15         | 17<br>17                      | 15<br>15         | 21<br>21         |
| 58<br>59            | 12               | 15               | 13               | 17               | 13               | 16<br>16                      | 14               | 18               | 14               | 17                            | 15               | 20               |
| 60                  | 12               | 15               | 13               | 17               | 12               | 15                            | 14               | 17               | 13               | 16                            | 14               | 20               |
| 61                  | 11               | 15               | 12               | 16               | 12               | 15                            | 13               | 17               | 13               | 16                            | 14               | 19               |
| 62                  | 11               | 15               | 13               | 16               | 12               | 15                            | 13               | 17               | 12               | 16                            | 14               | 19               |
| 63                  | 11               | 16               | 13               | 17               | 12               | 16                            | 14               | 17               | 13               | 18                            | 14               | 20               |
| 64                  | 12               | 18               | 14               | 18               | 13               | 18                            | 15               | 19               | 14               | 20                            | 15               | 21               |
| 65                  | 13               | 20               | 15               | 20               | 14               | 20                            | 16               | 20               | 15               | 22                            | 16               | 23               |
| 66                  | 14               | 22               | 16               | 21               | 15               | 22                            | 17               | 22               | 16               | 24                            | 18               | 24               |
| 67                  | 15               | 24               | 17               | 22               | 16               | 24                            | 18               | 23               | 17               | 27                            | 19               | 26               |
| 68                  | 17               | 26               | 21               | 25               | 18               | 27                            | 22               | 26               | 19               | 30                            | 23               | 29               |
| 69                  | 18               | 29               | 25               | 28               | 20               | 30                            | 26               | 30               | 22               | 33                            | 28               | 33               |
| 70                  | 20               | 32               | 29               | 31               | 22               | 32                            | 30               | 33               | 24               | 36                            | 32               | 36               |
| 71                  | 22               | 34               | 33               | 33               | 24               | 35                            | 34               | 36               | 26               | 39                            | 37               | 40               |
| 72                  | 24               | 37               | 37               | 36               | 26               | 38                            | 38               | 39               | 29               | 42                            | 41               | 43               |
| 73                  | 28               | 41               | 43               | 41               | 29               | 43                            | 45               | 44               | 33               | 47                            | 49               | 49               |
| 74                  | 31               | 46               | 50               | 47               | 33               | 48                            | 52               | 50               | 37               | 53                            | 56               | 55               |
| 75                  | 35               | 50               | 57               | 52               | 37               | 53                            | 59               | 56               | 41               | 58                            | 64               | 61               |
| 76                  | 38               | 55               | 64               | 57               | 40               | 58                            | 66               | 61               | 45               | 64                            | 72               | 67               |
| 77                  | 42<br>47         | 60               | 71<br>70         | 62<br>73         | 44<br>49         | 63                            | 74<br>73         | 67               | 49               | 69                            | 79<br>79         | 73<br>85         |
| 78<br>79            | 47<br>51         | 66<br>73         | 70<br>69         | 84               | 49<br>54         | 70<br>77                      | 73<br>72         | 78<br>89         | 54<br>60         | 76<br>84                      | 79<br>78         | 97               |
| 80                  | 56               | 73<br>79         | 69               | 95               | 59               | 84                            | 71               | 100              | 66               | 91                            | 76<br>77         | 109              |
| 81                  | 61               | 86               | 68               | 105              | 65               | 90                            | 70               | 112              | 71               | 98                            | 76               | 121              |
| 84                  | 80               | 116              | 86               | 143              | 85               | 123                           | 89               | 152              | 105              | 134                           | 97               | 166              |
| 85                  | 89               | 128              | 98               | 157              | 94               | 135                           | 103              | 167              | 115              | 148                           | 112              | 185              |
| 86                  | 98               | 140              | 111              | 170              | 103              | 147                           | 117              | 182              | 125              | 162                           | 127              | 204              |
| 87                  | 107              | 152              | 123              | 184              | 112              | 159                           | 130              | 196              | 134              | 177                           | 142              | 223              |
| 88                  | 116              | 164              | 136              | 198              | 121              | 172                           | 144              | 211              | 144              | 191                           | 158              | 242              |
| 89                  | 125              | 175              | 148              | 212              | 130              | 184                           | 158              | 226              | 154              | 205                           | 173              | 261              |
| 90                  | 134              | 187              | 160              | 226              | 139              | 196                           | 172              | 240              | 164              | 220                           | 188              | 280              |
| 91                  | 143              | 199              | 173              | 240              | 148              | 208                           | 186              | 255              | 174              | 234                           | 203              | 298              |
| 92+                 | 152              | 211              | 185              | 253              | 157              | 221                           | 200              | 270              | 183              | 249                           | 218              | 317              |

#### Coverage Enhancement Rider Elimination Period Factors Preferred Rate Class

| From:    | 30 days | 60 days      | 90 days      | 180 days     | 365 days     |
|----------|---------|--------------|--------------|--------------|--------------|
| To:      |         | 30 days      |              | 90 days      | 180 days     |
| Age      | ,       |              |              |              | ,            |
| 18-40    | 1.50    | 1.49         | 1.47         | 1.51         | 1.53         |
| 41       | 1.50    | 1.49         | 1.47         | 1.51         | 1.53         |
| 42       | 1.50    | 1.49         | 1.47         | 1.51         | 1.53         |
| 43       | 1.48    | 1.46         | 1.45         | 1.49         | 1.51         |
| 44       | _       | 1.44         | 1.43         | 1.47         | 1.49         |
| 45       |         | 1.42         | 1.40         | 1.44         | 1.46         |
| 46       |         | 1.40         | 1.38         | 1.42         | 1.44         |
| 47       | 1.39    | 1.38         | 1.36         | 1.40         | 1.42         |
| 48       |         | 1.38         | 1.36         | 1.40         | 1.42         |
| 49       |         | 1.38         | 1.36         | 1.40         | 1.42         |
| 50       |         | 1.38         | 1.36         | 1.40         | 1.42         |
| 51       | 1.39    | 1.38         | 1.36         | 1.40         | 1.42         |
| 52<br>53 |         | 1.38<br>1.35 | 1.36<br>1.34 | 1.40<br>1.38 | 1.42         |
| 53<br>54 |         | 1.33         | 1.34         | 1.36         | 1.40<br>1.37 |
| 54<br>55 |         | 1.33         | 1.32         | 1.33         | 1.35         |
| 56       |         | 1.29         | 1.27         | 1.33         | 1.33         |
| 57       |         | 1.23         | 1.25         | 1.29         | 1.31         |
| 58       |         | 1.25         | 1.23         | 1.27         | 1.28         |
| 59       |         | 1.22         | 1.21         | 1.24         | 1.26         |
| 60       |         | 1.20         | 1.19         | 1.22         | 1.24         |
| 61       | 1.19    | 1.18         | 1.17         | 1.20         | 1.22         |
| 62       |         | 1.16         | 1.14         | 1.18         | 1.19         |
| 63       | 1.17    | 1.16         | 1.14         | 1.18         | 1.19         |
| 64       | 1.16    | 1.15         | 1.14         | 1.17         | 1.19         |
| 65       | 1.16    | 1.15         | 1.14         | 1.17         | 1.19         |
| 66       | 1.16    | 1.15         | 1.14         | 1.17         | 1.18         |
| 67       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 68       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 69       | _       | 1.15         | 1.13         | 1.17         | 1.18         |
| 70       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 71       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 72       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 73       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 74<br>75 | _       | 1.15         | 1.13         | 1.17<br>1.17 | 1.18<br>1.18 |
| 75<br>76 |         | 1.15<br>1.15 | 1.13<br>1.13 | 1.17         | 1.18         |
| 76       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 78       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 79       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 80       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 81       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 82       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 83       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 86       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 87       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 88       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 89       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 90       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 91       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 92+      | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
|          |         |              |              |              |              |

Base Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit
Daily Benefit range from \$50 - \$99

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age      | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime  | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   |
|----------|----------|----------|----------|----------|----------|-----------|----------|----------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|
| 18-40    | 40       | 43       | 47       | 50       | 55       | 64        | 41       | 45       | 49       | 51       | 57       | 67         | 46       | 51       | 53       | 57       | 62       | 74         |
| 41       | 40       | 43       | 47       | 50       | 55       | 64        | 41       | 45       | 49       | 52       | 58       | 67         | 46       | 51       | 53       | 57       | 63       | 74         |
| 42       | 40       | 43       | 48       | 51       | 56       | 65        | 41       | 45       | 50       | 52       | 58       | 68         | 46       | 51       | 54       | 58       | 63       | 75         |
| 43       | 41       | 45       | 49       | 52       | 57       | 67        | 42       | 46       | 51       | 53       | 59       | 69         | 47       | 52       | 55       | 59       | 65       | 76         |
| 44       | 42       | 46       | 50       | 53       | 58       | 68        | 43       | 47       | 52       | 54       | 60       | 71         | 48       | 53       | 56       | 60       | 66       | 78         |
| 45       | 43       | 48       | 51       | 54       | 59       | 69        | 44       | 48       | 53       | 55       | 61       | 72         | 49       | 54       | 57       | 61       | 67       | 79         |
| 46       | 44       | 49       | 52       | 55       | 60       | 71        | 45       | 49       | 54       | 56       | 62       | 74         | 50       | 55       | 59       | 62       | 68       | 80         |
| 47       | 45       | 51       | 53       | 56       | 61       | 72        | 47       | 50       | 55       | 57       | 63       | 75         | 51       | 57       | 60       | 63       | 70       | 82         |
| 48       | 46       | 51       | 54       | 57       | 62       | 74        | 47       | 51       | 56       | 58       | 63       | 77         | 52       | 57       | 61       | 64       | 70       | 84         |
| 49       | 46       | 52       | 55       | 58       | 63       | 76        | 48       | 52       | 56       | 59       | 64       | 78         | 52       | 57       | 61       | 64       | 71       | 85         |
| 50       | 47       | 52       | 55       | 58       | 63       | 78        | 48       | 53       | 57       | 60       | 65       | 80         | 53       | 58       | 62       | 65       | 72       | 87         |
| 51       | 48       | 53       | 56       | 59       | 64       | 79        | 49       | 54       | 57       | 60       | 66       | 82         | 54       | 58       | 63       | 65       | 73       | 89         |
| 52       | 49       | 54       | 57       | 60       | 65       | 81        | 50       | 54       | 58       | 61       | 67       | 83         | 55       | 58       | 64       | 66       | 74       | 91         |
| 53       | 50       | 55       | 60       | 63       | 68       | 85        | 51       | 56       | 61       | 64       | 70       | 87         | 57       | 61       | 66       | 69       | 77       | 95         |
| 54       | 52       | 57       | 62       | 66       | 72       | 89        | 53       | 58       | 63       | 67       | 74<br>77 | 91         | 58       | 63       | 69<br>72 | 72       | 81       | 99         |
| 55       | 54       | 59       | 64       | 68       | 75<br>70 | 94        | 55<br>57 | 60       | 66       | 70       |          | 95         | 60       | 65<br>67 |          | 75<br>70 | 85       | 104        |
| 56<br>57 | 56<br>50 | 61<br>63 | 67<br>69 | 71<br>74 | 79<br>82 | 98<br>102 | 57<br>50 | 62<br>63 | 68<br>71 | 73<br>76 | 80<br>84 | 100<br>104 | 62<br>64 | 67<br>70 | 74<br>77 | 79<br>82 | 88<br>92 | 108<br>112 |
|          | 58<br>62 | 63<br>67 | 75       | 74<br>80 | 89       | 110       | 58       | 68       | 71       | 76<br>82 | 91       | 113        | 69       | 70<br>75 | 84       | 89       | 92       | 122        |
| 58<br>59 | 67       | 72       | 75<br>81 | 86       | 96       | 110       | 63<br>67 | 73       | 83       | 89       | 98       | 122        | 74       | 75<br>80 | 90       | 95       | 107      | 132        |
| 60       | 71       | 72<br>76 | 87       | 92       | 102      | 128       | 72       | 73<br>78 | 88       | 95       | 105      | 132        | 74<br>79 | 85       | 97       | 102      | 114      | 143        |
| 61       | 76       | 81       | 92       | 98       | 102      | 136       | 76       | 83       | 94       | 101      | 112      | 141        | 84       | 90       | 103      | 102      | 122      | 153        |
| 62       | 80       | 86       | 98       | 105      | 116      | 145       | 81       | 87       | 100      | 108      | 119      | 150        | 89       | 95       | 109      | 116      | 129      | 163        |
| 63       | 88       | 94       | 108      | 116      | 128      | 160       | 89       | 96       | 110      | 119      | 132      | 166        | 97       | 104      | 120      | 129      | 143      | 180        |
| 64       | 95       | 103      | 117      | 127      | 140      | 175       | 96       | 105      | 119      | 131      | 145      | 181        | 105      | 114      | 130      | 141      | 157      | 197        |
| 65       | 103      | 111      | 126      | 139      | 152      | 191       | 104      | 113      | 129      | 142      | 159      | 197        | 114      | 123      | 141      | 154      | 170      | 214        |
| 66       | 111      | 120      | 136      | 150      | 165      | 206       | 112      | 122      | 138      | 154      | 172      | 212        | 122      | 133      | 151      | 167      | 184      | 231        |
| 67       | 118      | 128      | 145      | 161      | 177      | 221       | 120      | 131      | 148      | 165      | 185      | 228        | 130      | 142      | 162      | 180      | 198      | 248        |
| 68       | 135      | 145      | 164      | 184      | 202      | 249       | 137      | 149      | 168      | 189      | 211      | 257        | 148      | 162      | 183      | 205      | 227      | 281        |
| 69       | 151      | 163      | 182      | 207      | 227      | 277       | 153      | 166      | 187      | 213      | 236      | 287        | 167      | 181      | 204      | 231      | 255      | 313        |
| 70       | 167      | 180      | 201      | 230      | 252      | 305       | 170      | 184      | 207      | 236      | 262      | 316        | 185      | 201      | 225      | 257      | 284      | 345        |
| 71       | 183      | 197      | 219      | 252      | 277      | 333       | 186      | 202      | 227      | 260      | 287      | 346        | 203      | 220      | 246      | 283      | 313      | 377        |
| 72       | 199      | 214      | 238      | 275      | 302      | 360       | 203      | 220      | 247      | 284      | 313      | 375        | 221      | 239      | 267      | 309      | 342      | 409        |
| 73       | 226      | 243      | 271      | 314      | 344      | 409       | 230      | 250      | 280      | 324      | 357      | 426        | 251      | 272      | 302      | 352      | 390      | 464        |
| 74       | 253      | 272      | 303      | 352      | 387      | 457       | 258      | 279      | 314      | 363      | 401      | 476        | 281      | 304      | 337      | 395      | 438      | 519        |
| 75       | 280      | 301      | 336      | 391      | 430      | 505       | 286      | 309      | 347      | 403      | 446      | 526        | 312      | 337      | 373      | 439      | 486      | 574        |
| 76       | 307      | 330      | 369      | 429      | 472      | 553       | 313      | 339      | 381      | 443      | 490      | 577        | 342      | 369      | 408      | 482      | 533      | 628        |
| 77       | 334      | 359      | 401      | 468      | 515      | 602       | 341      | 369      | 414      | 483      | 534      | 627        | 372      | 402      | 443      | 526      | 581      | 683        |
| 78       | 376      | 403      | 446      | 511      | 564      | 660       | 384      | 413      | 460      | 527      | 585      | 688        | 419      | 450      | 495      | 574      | 642      | 749        |
| 79       | 419      | 446      | 491      | 554      | 614      | 718       | 427      | 458      | 506      | 571      | 636      | 749        | 466      | 499      | 546      | 622      | 703      | 816        |
| 80       | 461      | 490      | 535      | 597      | 663      | 777       | 471      | 502      | 552      | 615      | 687      | 810        | 513      | 548      | 598      | 670      | 764      | 882        |
| 81       | 504      | 533      | 580      | 640      | 712      | 835       | 514      | 547      | 597      | 659      | 738      | 870        | 560      | 596      | 650      | 719      | 825      | 948        |
| 82       | 547      | 577      | 624      | 682      | 762      | 894       | 558      | 591      | 643      | 703      | 789      | 931        | 607      | 645      | 701      | 767      | 886      | 1,015      |
| 83       | 601      | 636      | 690      | 757      | 845      | 991       | 614      | 652      | 711      | 780      | 876      | 1,035      | 655      | 711      | 776      | 850      | 983      | 1,127      |
| 84       | 663      | 700      | 763      | 839      | 937      | 1,099     | 677      | 719      | 787      | 865      | 971      | 1,148      | 721      | 783      | 857      | 943      | 1,091    | 1,252      |

Base Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit
Daily Benefit range from \$100 - \$500

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age      | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   | 2 year     | 3 year     | 4 year     | 5 year               | 8 year     | Lifetime     |
|----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|----------------------|------------|--------------|
| 18-40    | 32         | 36         | 40         | 42         | 47         | 57         | 33         | 37         | 41         | 44         | 49         | 60         | 37         | 41         | 45         | 49                   | 54         | 66           |
| 41       | 32         | 36         | 40         | 42         | 47         | 57         | 33         | 37         | 41         | 45         | 50         | 60         | 37         | 41         | 45         | 49                   | 55         | 66           |
| 42       | 32         | 36         | 41         | 43         | 48         | 58         | 33         | 37         | 42         | 45         | 50         | 61         | 37         | 42         | 46         | 50                   | 55         | 67           |
| 43       | 33         | 37         | 42         | 44         | 49         | 60         | 34         | 38         | 43         | 45         | 51         | 62         | 38         | 43         | 47         | 50                   | 56         | 68           |
| 44       | 34         | 38         | 42         | 45         | 50         | 61         | 35         | 39         | 44         | 46         | 51         | 63         | 39         | 44         | 48         | 51                   | 57         | 69           |
| 45       | 35         | 39         | 43         | 46         | 51         | 62         | 36         | 39         | 45         | 47         | 52         | 64         | 40         | 44         | 48         | 52                   | 58         | 71           |
| 46       | 36         | 40         | 44         | 47         | 52         | 63         | 37         | 40         | 45         | 48         | 53         | 66         | 40         | 45         | 49         | 53                   | 59         | 72           |
| 47       | 36         | 41         | 44         | 47         | 53         | 64         | 38         | 41         | 46         | 49         | 54         | 67         | 41         | 46         | 50         | 53                   | 60         | 73           |
| 48       | 37         | 42         | 45         | 48         | 54         | 66         | 38         | 42         | 47         | 49         | 55         | 68         | 42         | 47         | 51         | 54                   | 61         | 75           |
| 49       | 37         | 43         | 46         | 49         | 54         | 68         | 38         | 43         | 47         | 50         | 56         | 70         | 42         | 47         | 52         | 55                   | 62         | 77           |
| 50       | 38         | 43         | 47         | 50         | 55         | 70         | 39         | 44         | 48         | 51         | 56         | 72         | 43         | 48         | 52         | 55                   | 62         | 78           |
| 51       | 39         | 44         | 47         | 51         | 56         | 71         | 39         | 45         | 48         | 51         | 57         | 73         | 43         | 48         | 53         | 56                   | 63         | 80           |
| 52       | 39         | 45         | 48         | 51         | 56         | 73         | 40         | 45         | 49         | 52         | 58         | 75         | 44         | 49         | 54         | 57                   | 64         | 82           |
| 53       | 41         | 46         | 50         | 54         | 59         | 77         | 41         | 47         | 51         | 54         | 61         | 78         | 45         | 50         | 56         | 59                   | 67         | 85           |
| 54       | 42         | 47         | 52         | 56         | 62         | 80         | 43         | 48         | 53         | 57         | 63         | 82         | 47         | 52         | 58         | 61                   | 70<br>70   | 89           |
| 55       | 43         | 49<br>50   | 54<br>56   | 58         | 64         | 84<br>87   | 44<br>45   | 50         | 55<br>57   | 59         | 66<br>68   | 85         | 48         | 54<br>56   | 60         | 64                   | 72<br>75   | 93           |
| 56<br>57 | 45<br>46   | 50<br>52   | 56<br>57   | 60<br>62   | 67<br>69   | 91         | 45<br>47   | 51<br>52   | 57<br>59   | 61<br>64   | 71         | 89<br>93   | 50<br>51   | 56<br>58   | 62<br>64   | 66<br>69             | 75<br>78   | 96<br>100    |
| 58       | 50         | 55         | 62         | 67         | 75         | 98         | 50         | 56         | 64         | 69         | 77         | 100        | 55         | 62         | 69         | 74                   | 84         | 108          |
| 59       | 53         | 59         | 66         | 72         | 80         | 105        | 54         | 60         | 68         | 74         | 82         | 100        | 59         | 66         | 74         | 7 <del>4</del><br>79 | 90         | 117          |
| 60       | 57         | 63         | 71         | 77         | 86         | 112        | 57         | 64         | 72         | 79         | 88         | 115        | 63         | 70         | 79         | 85                   | 96         | 125          |
| 61       | 60         | 66         | 75         | 82         | 91         | 119        | 61         | 68         | 77         | 84         | 93         | 123        | 67         | 74         | 84         | 90                   | 102        | 133          |
| 62       | 64         | 70         | 80         | 86         | 97         | 126        | 64         | 72         | 81         | 89         | 99         | 131        | 71         | 78         | 89         | 96                   | 108        | 142          |
| 63       | 70         | 77         | 88         | 95         | 106        | 139        | 70         | 78         | 90         | 98         | 110        | 144        | 77         | 85         | 98         | 106                  | 119        | 156          |
| 64       | 76         | 83         | 96         | 104        | 116        | 152        | 76         | 85         | 98         | 107        | 121        | 158        | 84         | 93         | 107        | 116                  | 130        | 171          |
| 65       | 82         | 90         | 105        | 113        | 126        | 166        | 83         | 92         | 106        | 116        | 131        | 171        | 90         | 100        | 116        | 126                  | 141        | 186          |
| 66       | 88         | 97         | 113        | 122        | 136        | 179        | 89         | 99         | 115        | 125        | 142        | 185        | 97         | 107        | 126        | 136                  | 152        | 201          |
| 67       | 94         | 103        | 121        | 131        | 146        | 192        | 95         | 106        | 123        | 134        | 153        | 198        | 103        | 115        | 135        | 146                  | 164        | 216          |
| 68       | 106        | 117        | 136        | 150        | 166        | 216        | 108        | 120        | 140        | 154        | 174        | 223        | 117        | 130        | 152        | 167                  | 187        | 243          |
| 69       | 119        | 131        | 152        | 168        | 187        | 239        | 121        | 134        | 156        | 173        | 194        | 247        | 131        | 146        | 170        | 188                  | 210        | 270          |
| 70       | 131        | 144        | 167        | 187        | 207        | 262        | 133        | 148        | 173        | 192        | 215        | 272        | 145        | 161        | 187        | 209                  | 234        | 296          |
| 71       | 143        | 158        | 183        | 205        | 227        | 285        | 146        | 162        | 189        | 211        | 236        | 296        | 159        | 176        | 205        | 230                  | 257        | 323          |
| 72       | 155        | 172        | 198        | 224        | 247        | 308        | 159        | 176        | 206        | 231        | 257        | 321        | 173        | 192        | 222        | 251                  | 280        | 350          |
| 73       | 176        | 194        | 226        | 255        | 282        | 349        | 179        | 199        | 234        | 263        | 293        | 364        | 195        | 217        | 252        | 286                  | 319        | 397          |
| 74       | 196        | 217        | 253        | 286        | 317        | 390        | 200        | 222        | 262        | 296        | 329        | 407        | 218        | 242        | 281        | 321                  | 359        | 443          |
| 75       | 216        | 240        | 280        | 318        | 352        | 432        | 221        | 246        | 290        | 328        | 365        | 450        | 241        | 268        | 311        | 357                  | 398        | 490          |
| 76       | 236        | 262        | 307        | 349        | 387        | 473        | 241        | 269        | 317        | 361        | 402        | 493        | 264        | 293        | 340        | 392                  | 437        | 537          |
| 77       | 257        | 285        | 334        | 380        | 422        | 514        | 262        | 293        | 345        | 393        | 438        | 536        | 286        | 319        | 369        | 427                  | 477        | 584          |
| 78       | 288        | 319        | 372        | 416        | 462        | 564        | 293        | 327        | 383        | 430        | 480        | 588        | 320        | 357        | 412        | 468                  | 526        | 640          |
| 79       | 318        | 353        | 409        | 452        | 503        | 614        | 325        | 362        | 422        | 466        | 521        | 640        | 354        | 395        | 455        | 508                  | 576        | 697          |
| 80       | 349        | 387        | 446        | 488        | 543        | 664        | 356        | 396        | 460        | 503        | 563        | 692        | 388        | 432        | 498        | 548                  | 626        | 754          |
| 81       | 380        | 420        | 483        | 524        | 584<br>625 | 714        | 388        | 431        | 498        | 540<br>576 | 605        | 744        | 422        | 470        | 541        | 588                  | 676        | 810          |
| 82       | 411        | 454<br>501 | 520<br>575 | 559        |            | 764<br>947 | 419        | 466        | 536        |            | 647        | 796        | 456        | 508        | 584        | 629<br>607           | 726        | 867          |
| 83<br>84 | 452<br>499 | 501<br>551 | 575<br>636 | 621<br>688 | 693<br>768 | 847<br>939 | 462<br>509 | 513<br>566 | 593<br>656 | 640<br>709 | 718<br>796 | 884<br>981 | 493<br>542 | 560<br>616 | 646<br>714 | 697<br>773           | 805<br>894 | 963<br>1,070 |
| 04       | 433        | 331        | 030        | 000        | 700        | 508        | 509        | 500        | 000        | 709        | 130        | 901        | 342        | 010        | / 14       | 113                  | 034        | 1,070        |

#### **Rider Premium Rates and Premium Factors**

Factors applied to base premium rates

| Part  |      |      |      |      |      | 5%   |        |      |      |       | Full  |      |                    |                         |         |
|---|------|------|------|------|------|------|--------|------|------|-------|-------|------|--------------------|-------------------------|---------|
| The color     |      |      |      |      |      |      |        |      |      |       |       |      | 5 6                | <b>.</b>                |         |
| 18-40   | امما |      |      |      |      |      | 10 pay |      | CDD  |       |       |      |                    |                         |         |
| 41   2.66   2.26   1.85   1.79   1.00   3.72   1.75   1.20   1.30   1.49   1.12   3 year   1.05   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 42   2.66   2.26   1.85   1.79   1.60   3.72   1.75   1.20   1.30   1.49   1.12   4 year   1.04   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 43  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 46  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 46  | 44   | 2.64 | 2.24 | 1.85 | 1.79 | 1.60 | 3.53   | 1.80 | 1.20 | 1.34  | 1.53  | 1.12 | 8 year             | 1.04                    |         |
| 47   261   2.22   1.85   1.80   1.60   3.25   1.88   1.21   1.39   1.60   1.12   Spousal Showard Care Hard-Care Har | 45   | 2.63 | 2.24 | 1.85 | 1.80 | 1.60 | 3.44   | 1.83 | 1.21 | 1.35  | 1.56  | 1.12 |                    | N / A                   |         |
| 48  | 46   | 2.62 | 2.23 | 1.85 | 1.80 | 1.60 | 3.34   | 1.85 | 1.21 | 1.37  | 1.58  | 1.12 |                    |                         |         |
| Second      |      |      |      | 1.85 | 1.80 | 1.60 | 3.25   | 1.88 |      | 1.39  |       | 1.12 |                    |                         |         |
| 50  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 5   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| Second Color  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 55  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 54  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 55   2.33   2.05   1.76   1.74   1.80   2.66   1.23   1.59   1.84   1.12   8 year   1.02   1.02   1.05     |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| Fig.     |      |      |      |      |      |      |        | 2.52 |      |       |       |      |                    |                         |         |
| 57  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 58   2.18   1.94   1.88   1.71   1.60   2.45   1.24   1.69   1.97   1.11   Restoration of Benefits and Shared Care are not all and the state of t   |      |      |      |      |      |      |        |      |      |       |       |      | Lifetime           | N/A                     | N/A     |
| 59  |      |      |      |      |      |      |        |      |      |       |       |      | Postoration of Po  | nofite and Charad Care  | oro     |
| 60  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 61  |      |      |      |      |      |      |        |      |      |       |       |      | not available with | Lifetime benefit period | горион. |
| Fig.   Section         |      |      |      |      |      |        |      |      |       |       |      | HCC Monthly Re     | nefit                   | 1.06    |
| 65   2.03   1.81   1.58   1.66   1.57   2.08   1.25   1.90   2.23   1.11     HCC Calendar Day EP   1.02   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 64  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 65  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 66  |      |      |      |      |      |      |        |      |      |       |       |      |                    | •                       | 2       |
| 67  |      |      |      |      |      |      |        |      |      |       |       | 1.10 | Monthly Indemni    | tv Benefit              |         |
| 69  |      |      |      |      | 1.59 |      |        |      |      |       |       | 1.10 |                    | *                       | 1.04    |
| 70  | 68   | 1.82 | 1.65 | 1.48 | 1.57 | 1.53 | 1.76   |      | 1.26 | 2.36  | 2.81  | 1.10 | 25%                |                         | 1.10    |
| 71  |      | 1.78 | 1.62 | 1.46 | 1.55 | 1.52 | 1.71   |      | 1.27 | 2.50  | 3.00  | 1.10 | 50%                |                         |         |
| 72  | 70   | 1.74 | 1.59 | 1.44 | 1.54 | 1.51 | 1.65   |      | 1.27 | 2.65  | 3.19  | 1.09 | 100% (age < 60)    |                         | 2.57    |
| 73         1.63         1.51         1.39         1.48         1.48         1.48         1.28         3.54         4.54         1.06         Elimination Period Factors           74         1.60         1.49         1.37         1.47         1.42         1.28         4.23         5.71         1.05         7 Day         1.30           75         1.57         1.46         1.36         1.45         1.44         1.44         1.31         1.28         5.06         721         1.04         30 Day         1.18           76         1.54         1.44         1.34         1.44         1.43         1.25         1.29         6.07         11.66         1.02         90 Day         1.08           77         1.51         1.42         1.33         1.42         1.43         1.25         1.29         6.07         11.66         1.02         90 Day         1.00           78         1.49         1.40         1.32         1.42         1.43         1.25         1.29         8.74         16.79         1.02         365 Day         0.90           79         1.46         1.38         1.30         1.40         1.41         1.19         1.29         1.04         <   |      |      |      |      |      |      |        |      |      |       |       |      | 100% (age 60+)     |                         | 2.23    |
| 74         1.60         1.49         1.37         1.47         1.42         1.28         4.23         5.71         1.05         7 Day         1.30           75         1.57         1.46         1.36         1.45         1.45         1.37         1.28         5.06         7.21         1.04         30 Day         1.18           76         1.54         1.44         1.34         1.44         1.41         1.42         1.31         1.28         5.82         9.15         1.03         60 Day         1.18           77         1.51         1.42         1.33         1.42         1.43         1.25         1.29         6.07         11.66         1.02         90 Day         1.00           78         1.49         1.40         1.32         1.41         1.42         1.22         1.29         7.28         13.99         1.02         180 Day         0.90           79         1.46         1.38         1.30         1.40         1.11         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.16         1.29         10.48   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 75         1.57         1.46         1.36         1.45         1.45         1.37         1.28         5.06         7.21         1.04         30 Day         1.18           76         1.54         1.44         1.34         1.44         1.31         1.28         5.82         9.15         1.03         60 Day         1.08           77         1.51         1.42         1.33         1.42         1.43         1.22         1.29         6.07         11.66         1.02         90 Day         1.00           78         1.49         1.40         1.32         1.41         1.42         1.22         1.29         7.28         13.99         1.02         180 Day         0.90           79         1.46         1.38         1.30         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           81         1.41         1.35         1.27         1.37         1.39         1.13         1.30         10.48  |      |      |      |      |      |      |        |      |      |       |       |      |                    | od Factors              |         |
| 76         1.54         1.44         1.34         1.44         1.31         1.28         5.82         9.15         1.03         60 Day         1.08           77         1.51         1.42         1.33         1.42         1.43         1.25         1.29         6.07         11.66         1.02         90 Day         1.00           78         1.49         1.40         1.32         1.41         1.42         1.22         1.29         7.28         13.99         1.02         180 Day         0.90           79         1.46         1.38         1.30         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.16         1.29         10.48         20.15         1.02           1.02         1.02         365 Day         0.80           81         1.41         1.35         1.27         1.37         1.39         1.13         1.02         1.048         20.15         1.02          1.02         Risk Class Factors           82         1.39         1.33         1.26         <   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 77  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 78         1.49         1.40         1.32         1.41         1.42         1.22         1.29         7.28         13.99         1.02         180 Day         0.90           79         1.46         1.38         1.30         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.41         1.19         1.29         1.02         81         1.02         81         1.01         1.02         81         1.02         81         1.01         1.03         1.04         20.15         1.02         81         1.02         81         1.01         1.03         1.04         20.15         1.02         81         1.02         81         1.01         1.03         1.04         20.15         1.02         81         82         1.33         1.26         1.36         1.38         1.10         1.30         10.48         20.15         1.02         Preferred Plus         0.85         1.26         1.33         1.34         1.08         1.30         10.48         20.15         1.02         Preferred Plus         1.00         1.04         1.04  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 79         1.46         1.38         1.30         1.40         1.41         1.19         1.29         8.74         16.79         1.02         365 Day         0.80           80         1.44         1.37         1.29         1.38         1.40         1.16         1.29         10.48         20.15         1.02         Risk Class Factors           81         1.41         1.35         1.27         1.37         1.39         1.13         1.26         1.36         1.38         1.10         1.30         10.48         20.15         1.02         Preferred Plus         0.85           82         1.39         1.33         1.26         1.35         1.36         1.09         1.30         10.48         20.15         1.02         Preferred Plus         0.85           83         1.37         1.31         1.25         1.35         1.36         1.09         1.30         10.48         20.15         1.02         Preferred Plus         0.85           84         1.35         1.30         1.24         1.04         1.09         1.30         10.48         20.15         1.02         Standard         1.20           85         1.34         1.29         1.23         1   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 80         1.44         1.37         1.29         1.38         1.40         1.16         1.29         10.48         20.15         1.02         Risk Class Factors           81         1.41         1.35         1.27         1.37         1.39         1.13         1.30         10.48         20.15         1.02         Risk Class Factors           82         1.39         1.33         1.26         1.36         1.38         1.10         1.30         10.48         20.15         1.02         Preferred Plus         0.85           83         1.37         1.31         1.25         1.35         1.36         1.09         1.30         10.48         20.15         1.02         Preferred Plus         0.85           84         1.35         1.30         1.24         1.34         1.34         1.08         1.30         10.48         20.15         1.02         Preferred Plus         0.85           85         1.34         1.29         1.23         1.33         1.30         10.48         20.15         1.02         Standard         1.20           88         1.29         1.25         1.20         1.28         1.29         1.30         10.48         20.15         1.02 <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 81         1.41         1.35         1.27         1.37         1.39         1.13         1.30         10.48         20.15         1.02         Risk Class Factors           82         1.39         1.33         1.26         1.36         1.38         1.10         1.30         10.48         20.15         1.02         Preferred Plus         0.85           83         1.37         1.31         1.26         1.36         1.39         1.30         10.48         20.15         1.02         Preferred Plus         0.85           84         1.35         1.30         1.24         1.34         1.34         1.08         1.30         10.48         20.15         1.02         Preferred Plus         0.85           85         1.34         1.29         1.23         1.32         1.33         1.30         10.48         20.15         1.02         Standard         1.20           85         1.34         1.29         1.23         1.32         1.33         1.30         10.48         20.15         1.02         Select IV         3.00           89         1.28         1.23         1.28         1.30         10.48         20.15         1.02         Discount Factors <td< td=""><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td>303 Day</td><td></td><td>0.60</td></td<>   |      |      |      |      |      |      |        |      |      |       |       |      | 303 Day            |                         | 0.60    |
| 82     1.39     1.33     1.26     1.36     1.38     1.10     1.30     10.48     20.15     1.02     Preferred Plus     0.85       83     1.37     1.31     1.25     1.35     1.36     1.09     1.30     10.48     20.15     1.02     Preferred Plus     0.85       84     1.35     1.30     1.24     1.34     1.34     1.09     1.30     10.48     20.15     1.02     Standard     1.20       85     1.34     1.29     1.23     1.32     1.33     1.30     10.48     20.15     1.02     Select I     1.50       88     1.29     1.25     1.20     1.28     1.29     1.30     10.48     20.15     1.02     Select IV     3.00       89     1.28     1.23     1.8     1.26     1.28     1.30     10.48     20.15     1.02     Select IV     3.00       90     1.26     1.22     1.17     1.24     1.26     1.30     10.48     20.15     1.02     Discount Factors       91     1.25     1.20     1.6     1.23     1.25     1.30     10.48     20.15     1.02     Married     0.90       92+     1.23     1.19     1.15     1.21     1.23<  |      |      |      |      |      |      |        |      |      |       |       |      | Rick Clace Facto   | ire                     |         |
| 83     1.37     1.31     1.25     1.35     1.36     1.09     1.30     10.48     20.15     1.02     Preferred     1.00       84     1.35     1.30     1.24     1.34     1.34     1.08     1.30     10.48     20.15     1.02     Standard     1.20       85     1.34     1.29     1.23     1.32     1.33     1.30     10.48     20.15     1.02     Select I     1.50       88     1.29     1.25     1.20     1.28     1.29     1.30     10.48     20.15     1.02     Select IV     3.00       89     1.28     1.23     1.18     1.26     1.28     1.30     10.48     20.15     1.02     Discount Factors       90     1.26     1.22     1.17     1.24     1.26     1.30     10.48     20.15     1.02     Discount Factors       91     1.25     1.20     1.16     1.23     1.25     1.30     10.48     20.15     1.02     Married     0.90       92+     1.23     1.19     1.15     1.21     1.23     1.30     10.48     20.15     1.02     Spousal     0.70  |      |      |      |      |      |      |        |      |      |       |       |      |                    | 113                     | 0.85    |
| 84     1.35     1.30     1.24     1.34     1.34     1.08     1.30     10.48     20.15     1.02     Standard     1.20       85     1.34     1.29     1.23     1.32     1.33     1.30     10.48     20.15     1.02     Select IV     3.00       88     1.29     1.20   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 85     1.34     1.29     1.23     1.32     1.33     1.30     10.48     20.15     1.02     Select I     1.50       88     1.29     1.25     1.20     1.28     1.29     1.30     10.48     20.15     1.02     Select IV     3.00       89     1.28     1.23     1.18     1.26     1.28     1.30     10.48     20.15     1.02     Select IV     3.00       90     1.26     1.22     1.17     1.24     1.26     1.30     10.48     20.15     1.02     Discount Factors       91     1.25     1.20     1.16     1.23     1.25     1.30     10.48     20.15     1.02     Married     0.90       92+     1.23     1.19     1.15     1.21     1.23     1.30     10.48     20.15     1.02     Spousal     0.70   |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 88     1.29     1.25     1.20     1.28     1.29     1.30     10.48     20.15     1.02     Select IV     3.00       89     1.28     1.23     1.18     1.26     1.28     1.30     10.48     20.15     1.02       90     1.26     1.22     1.17     1.24     1.26     1.30     10.48     20.15     1.02     Discount Factors       91     1.25     1.20     1.16     1.23     1.25     1.30     10.48     20.15     1.02     Married     0.90       92+     1.23     1.19     1.15     1.21     1.23     1.30     10.48     20.15     1.02     Spousal     0.70  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 89     1.28     1.23     1.18     1.26     1.28     1.30     10.48     20.15     1.02  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 90 1.26 1.22 1.17 1.24 1.26 1.30 10.48 20.15 1.02 <u>Discount Factors</u><br>91 1.25 1.20 1.16 1.23 1.25 1.30 10.48 20.15 1.02 <u>Married</u> 0.90<br>92+ 1.23 1.19 1.15 1.21 1.23 1.30 10.48 20.15 1.02 <u>Spousal</u> 0.70  |      |      |      |      |      |      |        |      |      |       |       |      |                    |                         |         |
| 91 1.25 1.20 1.16 1.23 1.25 1.30 10.48 20.15 1.02 Married 0.90 92+ 1.23 1.19 1.15 1.21 1.23 1.30 10.48 20.15 1.02 Spousal 0.70  |      | 1.26 |      | 1.17 | 1.24 |      |        |      |      | 10.48 |       | 1.02 | Discount Factors   | 3                       |         |
|   |      |      |      |      |      |      |        |      |      |       |       |      | Married            |                         |         |
| Facility Care Only Endorsement 0.90   | 92+  | 1.23 | 1.19 | 1.15 | 1.21 | 1.23 |        |      | 1.30 | 10.48 | 20.15 | 1.02 |                    |                         |         |
|   |      |      |      |      |      |      |        |      |      |       |       |      | Facility Care Only | Endorsement             | 0.90    |

Coverage Enhancement Rider
Daily Benefit Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age      | 2 year   | 3 year     | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   |
|----------|----------|------------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|
| 18-40    | 44       | 49         | 54       | 57       | 64       | 78         | 45       | 50       | 56       | 61       | 67       | 82         | 50       | 56       | 61       | 67       | 73       | 90         |
| 41       | 44       | 49         | 54       | 57       | 64       | 78         | 45       | 50       | 56       | 61       | 68       | 82         | 50       | 56       | 61       | 67       | 75       | 90         |
| 42       | 44       | 49         | 56       | 59       | 66       | 79         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 57       | 62       | 67       | 74       | 91         |
| 43       | 44       | 50         | 56       | 59       | 66       | 80         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 57       | 63       | 67       | 75       | 91         |
| 44       | 45       | 50         | 56       | 59       | 66       | 80         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 58       | 63       | 67       | 75       | 91         |
| 45       | 45       | 51         | 56       | 59       | 66       | 80         | 47       | 51       | 57       | 61       | 68       | 84         | 51       | 58       | 63       | 67       | 75       | 92         |
| 46       | 45       | 51         | 56       | 60       | 66       | 81         | 47       | 51       | 57       | 61       | 68       | 84         | 52       | 58       | 63       | 67       | 75       | 92         |
| 47       | 46       | 52         | 56       | 60       | 67       | 81         | 47       | 52       | 57       | 61       | 68       | 84         | 52       | 58       | 63       | 67       | 76       | 92         |
| 48       | 47       | 53         | 57       | 61       | 67       | 83         | 48       | 53       | 58       | 62       | 69       | 86         | 53       | 59       | 64       | 68       | 77       | 94         |
| 49       | 48       | 54         | 58       | 62       | 68       | 86         | 49       | 54       | 59       | 63       | 70       | 88         | 53       | 59       | 65       | 69       | 78       | 96         |
| 50       | 49       | 55         | 59       | 63       | 69       | 88         | 50       | 55       | 60       | 64       | 71       | 90         | 54       | 60       | 66       | 70       | 79       | 99         |
| 51       | 50       | 55         | 61       | 64       | 70       | 90         | 51       | 56       | 61       | 65       | 72       | 92         | 55       | 61       | 67       | 70       | 80       | 101        |
| 52       | 50       | 56         | 62       | 65       | 71       | 92         | 51       | 57       | 61       | 66       | 73       | 94         | 56       | 61       | 68       | 71       | 81       | 103        |
| 53       | 51       | 57         | 63       | 66       | 73       | 95         | 52       | 58       | 63       | 67       | 75       | 97         | 56       | 62       | 69       | 73       | 83       | 106        |
| 54       | 52       | 58         | 64       | 68       | 75<br>77 | 97         | 53       | 59       | 64       | 69       | 77<br>70 | 100        | 57       | 63       | 70       | 75<br>76 | 85       | 108        |
| 55       | 52       | 59<br>50   | 65<br>66 | 69       | 77<br>70 | 100        | 53       | 59       | 66       | 71<br>72 | 79       | 102        | 58<br>50 | 65<br>66 | 72<br>73 | 76       | 86       | 111        |
| 56       | 53       | 59         | 66       | 71       | 79       | 103        | 54       | 60       | 67       |          | 81       | 105        | 59       | 66       | 73<br>75 | 78       | 88       | 113        |
| 57<br>58 | 54<br>57 | 60<br>63   | 67<br>70 | 72<br>76 | 81<br>85 | 105<br>111 | 55<br>57 | 61<br>64 | 69<br>72 | 74<br>78 | 82<br>87 | 107<br>114 | 59<br>62 | 67<br>70 | 75<br>78 | 80<br>84 | 90<br>95 | 116<br>123 |
| 59       | 59       | 66         | 70<br>74 | 80       | 89       | 117        | 60       | 67       | 72<br>76 | 82       | 91       | 120        | 66       | 73       | 82       | 88       | 100      | 130        |
| 60       | 62       | 69         | 74<br>78 | 84       | 94       | 122        | 63       | 70       | 76<br>79 | 86       | 96       | 126        | 69       | 76       | 86       | 93       | 105      | 136        |
| 61       | 65       | 71         | 81       | 88       | 98       | 128        | 66       | 73       | 83       | 90       | 100      | 132        | 72       | 70<br>79 | 90       | 97       | 109      | 143        |
| 62       | 68       | 74         | 85       | 92       | 102      | 133        | 68       | 76       | 86       | 94       | 105      | 139        | 75       | 82       | 93       | 101      | 114      | 150        |
| 63       | 74       | 81         | 93       | 101      | 113      | 147        | 75       | 83       | 95       | 104      | 116      | 152        | 82       | 90       | 103      | 112      | 126      | 165        |
| 64       | 80       | 88         | 102      | 110      | 123      | 161        | 81       | 90       | 103      | 113      | 126      | 166        | 88       | 98       | 113      | 122      | 137      | 181        |
| 65       | 86       | 95         | 110      | 119      | 133      | 175        | 87       | 97       | 112      | 122      | 137      | 180        | 95       | 105      | 122      | 133      | 149      | 196        |
| 66       | 93       | 102        | 119      | 129      | 143      | 188        | 94       | 104      | 121      | 132      | 147      | 194        | 102      | 113      | 132      | 143      | 160      | 211        |
| 67       | 99       | 109        | 127      | 138      | 153      | 202        | 100      | 111      | 129      | 141      | 158      | 208        | 109      | 121      | 141      | 153      | 172      | 227        |
| 68       | 112      | 123        | 143      | 157      | 175      | 226        | 113      | 126      | 146      | 161      | 180      | 234        | 123      | 137      | 160      | 175      | 196      | 255        |
| 69       | 125      | 137        | 160      | 177      | 196      | 251        | 127      | 140      | 163      | 182      | 202      | 259        | 138      | 153      | 178      | 197      | 221      | 283        |
| 70       | 138      | 152        | 176      | 196      | 217      | 275        | 140      | 155      | 180      | 202      | 225      | 285        | 152      | 169      | 197      | 219      | 245      | 311        |
| 71       | 151      | 166        | 192      | 215      | 239      | 299        | 153      | 170      | 197      | 222      | 247      | 311        | 167      | 185      | 215      | 241      | 270      | 339        |
| 72       | 164      | 180        | 208      | 235      | 260      | 323        | 167      | 185      | 214      | 242      | 269      | 337        | 181      | 201      | 233      | 263      | 294      | 367        |
| 73       | 185      | 204        | 236      | 268      | 296      | 367        | 189      | 209      | 242      | 276      | 307      | 382        | 205      | 228      | 264      | 300      | 335      | 417        |
| 74       | 206      | 228        | 263      | 301      | 333      | 410        | 211      | 234      | 271      | 310      | 345      | 427        | 229      | 255      | 295      | 338      | 377      | 466        |
| 75       | 228      | 252        | 290      | 334      | 370      | 453        | 233      | 258      | 299      | 344      | 384      | 472        | 253      | 281      | 326      | 375      | 418      | 515        |
| 76       | 249      | 276        | 317      | 367      | 406      | 497        | 254      | 283      | 328      | 379      | 422      | 517        | 277      | 308      | 357      | 412      | 459      | 564        |
| 77       | 271      | 299        | 345      | 399      | 443      | 540        | 276      | 307      | 356      | 413      | 460      | 563        | 301      | 335      | 388      | 449      | 500      | 613        |
| 78       | 303      | 335        | 385      | 437      | 489      | 592        | 309      | 344      | 397      | 451      | 508      | 617        | 336      | 375      | 433      | 491      | 553      | 673        |
| 79       | 335      | 370        | 425      | 475      | 536      | 645        | 342      | 380      | 439      | 490      | 555      | 672        | 372      | 414      | 478      | 533      | 605      | 732        |
| 80       | 367      | 406        | 466      | 512      | 582      | 697        | 375      | 416      | 480      | 528      | 603      | 727        | 408      | 454      | 523      | 575      | 657      | 792        |
| 81       | 399      | 442        | 506      | 550      | 629      | 750        | 407      | 453      | 521      | 567      | 651      | 781        | 443      | 494      | 568      | 618      | 710      | 851        |
| 82       | 431      | 477        | 546      | 587      | 675      | 802        | 440      | 489      | 563      | 605      | 699      | 836        | 479      | 533      | 614      | 660      | 762      | 911        |
| 83       | 475      | 526        | 604      | 652      | 749      | 890        | 485      | 539      | 622      | 672      | 776      | 928        | 517      | 588      | 679      | 732      | 846      | 1,012      |
| 86       | 579      | 650        | 759      | 834      | 964      | 1209       | 592      | 667      | 783      | 862      | 1002     | 1267       | 643      | 737      | 864      | 950      | 1109     | 1400       |
| 87       | 607      | 685        | 804      | 889      | 1031     | 1321       | 621      | 704      | 830      | 921      | 1073     | 1385       | 680      | 782      | 921      | 1020     | 1194     | 1538       |
| 88       | 635      | 721        | 850      | 945      | 1098     | 1433       | 650      | 740      | 877      | 979      | 1144     | 1503       | 716      | 827      | 978      | 1089     | 1279     | 1676       |
| 89       | 662      | 756<br>701 | 895      | 1001     | 1165     | 1544       | 679      | 777      | 924      | 1038     | 1214     | 1621       | 753      | 871      | 1035     | 1159     | 1364     | 1815       |
| 90       | 690      | 791        | 941      | 1057     | 1232     | 1656       | 708      | 813      | 971      | 1097     | 1285     | 1739       | 790      | 916      | 1092     | 1228     | 1449     | 1953       |
| 91       | 718      | 827        | 986      | 1112     | 1299     | 1768       | 737      | 850      | 1018     | 1156     | 1356     | 1858       | 827      | 961      | 1149     | 1298     | 1534     | 2091       |
| 92+      | 745      | 862        | 1032     | 1168     | 1366     | 1879       | 766      | 886      | 1065     | 1214     | 1427     | 1976       | 863      | 1006     | 1206     | 1367     | 1619     | 2230       |

Coverage Enhancement Rider Benefit Period Premium Rates Preferred Rate Class, 90 Day Elimination Period Rates are per \$10 Facility Care Daily Benefit

|                     |                  | Facility Care Be<br>ne and Commu |                  | efit             |                  | acility Care B<br>ne and Comn |                  | Benefit          |                  | acility Care E<br>ne and Comr |                  | Benefit          |
|---------------------|------------------|----------------------------------|------------------|------------------|------------------|-------------------------------|------------------|------------------|------------------|-------------------------------|------------------|------------------|
| From:<br>To:<br>Age | 2 year<br>3 year | 3 year<br>4 year                 | 4 year<br>5 year | 5 year<br>8 year | 2 year<br>3 year | 3 year<br>4 year              | 4 year<br>5 year | 5 year<br>8 year | 2 year<br>3 year | 3 year<br>4 year              | 4 year<br>5 year | 5 year<br>8 year |
| 18-40               | 17               | 18                               | 18               | 22               | 17               | 19                            | 20               | 22               | 19               | 20                            | 22               | 25               |
| 41                  | 17               | 18                               | 18               | 22               | 17               | 19                            | 20               | 23               | 19               | 20                            | 22               | 25               |
| 42                  | 17               | 18                               | 18               | 22               | 17               | 19                            | 19               | 23               | 19               | 20                            | 22               | 25               |
| 43                  | 16               | 18                               | 18               | 22               | 17               | 19                            | 18               | 22               | 19               | 20                            | 21               | 24               |
| 44                  | 16               | 18                               | 17               | 21               | 16               | 18                            | 18               | 21               | 19               | 19                            | 20               | 24               |
| 45                  | 16               | 17                               | 16               | 20               | 15               | 18                            | 17               | 21               | 18               | 18                            | 19               | 23               |
| 46                  | 16               | 16                               | 16               | 20               | 15               | 17                            | 17               | 20               | 17               | 18                            | 18               | 23               |
| 47                  | 16               | 15                               | 15               | 19               | 15               | 16                            | 16               | 19               | 17               | 17                            | 17               | 23               |
| 48                  | 16               | 15                               | 15               | 19               | 15               | 16                            | 16               | 20               | 17               | 18                            | 17               | 23               |
| 49                  | 16               | 16                               | 16               | 19               | 15               | 16                            | 16               | 20               | 17               | 18                            | 17               | 23               |
| 50                  | 16               | 16                               | 16               | 19               | 15               | 16                            | 17               | 20               | 17               | 18                            | 17               | 23               |
| 51                  | 16               | 17                               | 16               | 19               | 15               | 16                            | 17               | 21               | 17               | 19                            | 17               | 23               |
| 52                  | 16               | 17                               | 16               | 19               | 15               | 16                            | 17               | 21               | 17               | 19                            | 17               | 23               |
| 53                  | 16               | 17                               | 16               | 19               | 15               | 16                            | 16               | 21               | 17               | 19                            | 17               | 23               |
| 54                  | 15               | 16                               | 15               | 19               | 15               | 16                            | 16               | 20               | 17               | 18                            | 17               | 23               |
| 55                  | 15               | 16                               | 15               | 19               | 15               | 16                            | 16               | 20               | 16               | 18                            | 16               | 23               |
| 56                  | 14               | 15                               | 15               | 19               | 14               | 16                            | 15               | 19               | 16               | 17                            | 16               | 22               |
| 57                  | 14               | 15                               | 14               | 19               | 14               | 16                            | 15               | 19               | 16               | 17                            | 15               | 21               |
| 58                  | 13               | 15                               | 14               | 18               | 13               | 16                            | 14               | 18               | 15               | 17                            | 15               | 21               |
| 59                  | 12               | 15                               | 13               | 17               | 13               | 16                            | 14               | 18               | 14               | 17                            | 15               | 20               |
| 60                  | 12               | 15                               | 13               | 17               | 12               | 15                            | 14               | 17               | 13               | 16                            | 14               | 20               |
| 61                  | 11               | 15                               | 12               | 16               | 12               | 15                            | 13               | 17               | 13               | 16                            | 14               | 19               |
| 62                  | 11               | 15                               | 13               | 16<br>17         | 12<br>12         | 15                            | 13               | 17<br>17         | 12               | 16                            | 14               | 19               |
| 63<br>64            | 11<br>12         | 16<br>18                         | 13<br>14         | 18               | 13               | 16<br>18                      | 14<br>15         | 17               | 13<br>14         | 18<br>20                      | 14<br>15         | 20<br>21         |
| 65                  | 13               | 20                               | 15               | 20               | 14               | 20                            | 16               | 20               | 15               | 20                            | 16               | 23               |
| 66                  | 14               | 22                               | 16               | 21               | 15               | 20                            | 17               | 22               | 16               | 24                            | 18               | 23               |
| 67                  | 15               | 24                               | 17               | 22               | 16               | 24                            | 18               | 23               | 17               | 27                            | 19               | 26               |
| 68                  | 17               | 26                               | 21               | 25               | 18               | 27                            | 22               | 26               | 19               | 30                            | 23               | 29               |
| 69                  | 18               | 29                               | 25               | 28               | 20               | 30                            | 26               | 30               | 22               | 33                            | 28               | 33               |
| 70                  | 20               | 32                               | 29               | 31               | 22               | 32                            | 30               | 33               | 24               | 36                            | 32               | 36               |
| 71                  | 22               | 34                               | 33               | 33               | 24               | 35                            | 34               | 36               | 26               | 39                            | 37               | 40               |
| 72                  | 24               | 37                               | 37               | 36               | 26               | 38                            | 38               | 39               | 29               | 42                            | 41               | 43               |
| 73                  | 28               | 41                               | 43               | 41               | 29               | 43                            | 45               | 44               | 33               | 47                            | 49               | 49               |
| 74                  | 31               | 46                               | 50               | 47               | 33               | 48                            | 52               | 50               | 37               | 53                            | 56               | 55               |
| 75                  | 35               | 50                               | 57               | 52               | 37               | 53                            | 59               | 56               | 41               | 58                            | 64               | 61               |
| 76                  | 38               | 55                               | 64               | 57               | 40               | 58                            | 66               | 61               | 45               | 64                            | 72               | 67               |
| 77                  | 42               | 60                               | 71               | 62               | 44               | 63                            | 74               | 67               | 49               | 69                            | 79               | 73               |
| 78                  | 47               | 66                               | 70               | 73               | 49               | 70                            | 73               | 78               | 54               | 76                            | 79               | 85               |
| 79                  | 51               | 73                               | 69               | 84               | 54               | 77                            | 72               | 89               | 60               | 84                            | 78               | 97               |
| 80                  | 56               | 79                               | 69               | 95               | 59               | 84                            | 71               | 100              | 66               | 91                            | 77               | 109              |
| 81                  | 61               | 86                               | 68               | 105              | 65               | 90                            | 70               | 112              | 71               | 98                            | 76               | 121              |
| 84                  | 80               | 116                              | 86               | 143              | 85               | 123                           | 89               | 152              | 105              | 134                           | 97               | 166              |
| 85                  | 89               | 128                              | 98               | 157              | 94               | 135                           | 103              | 167              | 115              | 148                           | 112              | 185              |
| 86<br>87            | 98<br>107        | 140<br>152                       | 111<br>123       | 170              | 103<br>112       | 147<br>159                    | 117<br>130       | 182<br>196       | 125<br>134       | 162<br>177                    | 127<br>142       | 204<br>223       |
| 88                  | 107<br>116       | 164                              | 136              | 184<br>198       | 121              | 172                           | 144              | 211              | 134              | 177                           | 158              | 223<br>242       |
| 89                  | 125              | 175                              | 148              | 212              | 130              | 184                           | 158              | 226              | 154              | 205                           | 173              | 261              |
| 90                  | 134              | 187                              | 160              | 226              | 139              | 196                           | 172              | 240              | 164              | 203                           | 188              | 280              |
| 91                  | 143              | 199                              | 173              | 240              | 148              | 208                           | 186              | 255              | 174              | 234                           | 203              | 298              |
| 92+                 | 152              | 211                              | 185              | 253              | 157              | 221                           | 200              | 270              | 183              | 249                           | 218              | 317              |
|                     |                  |                                  |                  |                  |                  |                               |                  |                  |                  |                               |                  |                  |

#### Coverage Enhancement Rider Elimination Period Factors Preferred Rate Class

| From: | 30 days | 60 days | 90 days | 180 days | 365 days |
|-------|---------|---------|---------|----------|----------|
| To:   | 7 days  | 30 days | 60 days | 90 days  | 180 days |
| Age   | , dayo  | oo aayo | oo aayo | oo aayo  | .oo aayo |
| 18-40 | 1.50    | 1.49    | 1.47    | 1.51     | 1.53     |
| 41    | 1.50    | 1.49    | 1.47    | 1.51     | 1.53     |
| 42    | 1.50    | 1.49    | 1.47    | 1.51     | 1.53     |
| 43    | 1.48    | 1.46    | 1.45    | 1.49     | 1.51     |
| 44    | 1.45    | 1.44    | 1.43    | 1.47     | 1.49     |
| 45    | 1.43    | 1.42    | 1.40    | 1.44     | 1.46     |
| 46    | 1.41    | 1.40    | 1.38    | 1.42     | 1.44     |
| 47    | 1.39    | 1.38    | 1.36    | 1.40     | 1.42     |
| 48    | 1.39    | 1.38    | 1.36    | 1.40     | 1.42     |
| 49    | 1.39    | 1.38    | 1.36    | 1.40     | 1.42     |
| 50    | 1.39    | 1.38    | 1.36    | 1.40     | 1.42     |
| 51    | 1.39    | 1.38    | 1.36    | 1.40     | 1.42     |
| 52    | 1.39    | 1.38    | 1.36    | 1.40     | 1.42     |
| 53    | 1.37    | 1.35    | 1.34    | 1.38     | 1.40     |
| 54    | 1.34    | 1.33    | 1.32    | 1.36     | 1.37     |
| 55    | 1.32    | 1.31    | 1.30    | 1.33     | 1.35     |
| 56    | 1.30    | 1.29    | 1.27    | 1.31     | 1.33     |
| 57    | 1.28    | 1.27    | 1.25    | 1.29     | 1.31     |
| 58    | 1.26    | 1.25    | 1.23    | 1.27     | 1.28     |
| 59    | 1.23    | 1.22    | 1.21    | 1.24     | 1.26     |
| 60    | 1.21    | 1.20    | 1.19    | 1.22     | 1.24     |
| 61    | 1.19    | 1.18    | 1.17    | 1.20     | 1.22     |
| 62    | 1.17    | 1.16    | 1.14    | 1.18     | 1.19     |
| 63    | 1.17    | 1.16    | 1.14    | 1.18     | 1.19     |
| 64    | 1.16    | 1.15    | 1.14    | 1.17     | 1.19     |
| 65    | 1.16    | 1.15    | 1.14    | 1.17     | 1.19     |
| 66    | 1.16    | 1.15    | 1.14    | 1.17     | 1.18     |
| 67    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 68    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 69    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 70    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 71    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 72    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 73    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 74    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 75    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 76    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 77    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 78    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 79    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 80    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 81    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 82    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 83    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 86    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 87    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 88    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 89    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 90    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 91    | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
| 92+   | 1.16    | 1.15    | 1.13    | 1.17     | 1.18     |
|       |         |         |         |          |          |

Base Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit
Daily Benefit range from \$50 - \$99

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age      | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   | 2 year     | 3 year     | 4 year     | 5 year     | 8 year     | Lifetime   |
|----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| 18-40    | 40         | 43         | 47         | 50         | 55         | 64         | 41         | 45         | 49         | 51         | 57         | 67         | 46         | 51         | 53         | 57         | 62         | 74         |
| 41       | 40         | 43         | 47         | 50         | 55         | 64         | 41         | 45         | 49         | 52         | 58         | 67         | 46         | 51         | 53         | 57         | 63         | 74         |
| 42       | 40         | 43         | 48         | 51         | 56         | 65         | 41         | 45         | 50         | 52         | 58         | 68         | 46         | 51         | 54         | 58         | 63         | 75         |
| 43       | 41         | 45         | 49         | 52         | 57         | 67         | 42         | 46         | 51         | 53         | 59         | 69         | 47         | 52         | 55         | 59         | 65         | 76         |
| 44       | 42         | 46         | 50         | 53         | 58         | 68         | 43         | 47         | 52         | 54         | 60         | 71         | 48         | 53         | 56         | 60         | 66         | 78         |
| 45       | 43         | 48         | 51         | 54         | 59         | 69         | 44         | 48         | 53         | 55         | 61         | 72         | 49         | 54         | 57         | 61         | 67         | 79         |
| 46       | 44         | 49         | 52         | 55         | 60         | 71         | 45         | 49         | 54         | 56         | 62         | 74         | 50         | 55         | 59         | 62         | 68         | 80         |
| 47       | 45         | 51         | 53         | 56         | 61         | 72         | 47         | 50         | 55         | 57         | 63         | 75         | 51         | 57         | 60         | 63         | 70         | 82         |
| 48       | 46         | 51         | 54         | 57         | 62         | 74         | 47         | 51         | 56         | 58         | 63         | 77         | 52         | 57         | 61         | 64         | 70         | 84         |
| 49       | 46         | 52         | 55         | 58         | 63         | 76         | 48         | 52         | 56         | 59         | 64         | 78         | 52         | 57         | 61         | 64         | 71         | 85         |
| 50       | 47         | 52         | 55         | 58         | 63         | 78         | 48         | 53         | 57         | 60         | 65         | 80         | 53         | 58         | 62         | 65         | 72         | 87         |
| 51       | 48         | 53         | 56         | 59         | 64         | 79         | 49         | 54         | 57         | 60         | 66         | 82         | 54         | 58         | 63         | 65         | 73         | 89         |
| 52       | 49         | 54         | 57         | 60         | 65         | 81         | 50         | 54         | 58         | 61         | 67         | 83         | 55         | 58         | 64         | 66         | 74         | 91         |
| 53       | 50         | 55         | 60         | 63         | 68         | 85         | 51         | 56         | 61         | 64         | 70         | 87         | 57         | 61         | 66         | 69         | 77         | 95         |
| 54       | 52         | 57         | 62         | 66         | 72         | 89         | 53         | 58         | 63         | 67         | 74         | 91         | 58         | 63         | 69         | 72         | 81         | 99         |
| 55       | 54         | 59         | 64         | 68         | 75         | 94         | 55         | 60         | 66         | 70         | 77         | 95         | 60         | 65         | 72         | 75         | 85         | 104        |
| 56       | 56         | 61         | 67         | 71         | 79         | 98         | 57         | 62         | 68         | 73         | 80         | 100        | 62         | 67         | 74         | 79         | 88         | 108        |
| 57       | 58         | 63         | 69         | 74         | 82         | 102        | 58         | 63         | 71         | 76         | 84         | 104        | 64         | 70         | 77         | 82         | 92         | 112        |
| 58       | 62         | 67         | 75         | 80         | 89         | 110        | 63         | 68         | 77         | 82         | 91         | 113        | 69         | 75         | 84         | 89         | 99         | 122        |
| 59       | 67         | 72<br>70   | 81         | 86         | 96         | 119        | 67         | 73         | 83         | 89         | 98         | 122        | 74         | 80         | 90         | 95         | 107        | 132        |
| 60       | 71         | 76         | 87         | 92         | 102        | 128        | 72         | 78         | 88         | 95         | 105        | 132        | 79         | 85         | 97         | 102        | 114        | 143        |
| 61       | 76         | 81         | 92         | 98         | 109        | 136        | 76         | 83         | 94         | 101        | 112        | 141        | 84         | 90         | 103        | 109        | 122        | 153        |
| 62       | 80         | 86         | 98         | 105        | 116        | 145        | 81         | 87         | 100        | 108        | 119        | 150        | 89         | 95         | 109        | 116        | 129        | 163        |
| 63       | 88         | 94         | 108        | 116        | 128        | 160        | 89         | 96         | 110<br>119 | 119<br>131 | 132        | 166        | 97         | 104        | 120        | 129        | 143<br>157 | 180        |
| 64       | 95         | 103        | 117        | 127        | 140        | 175        | 96         | 105        |            |            | 145        | 181        | 105        | 114        | 130        | 141        |            | 197        |
| 65       | 103        | 111        | 126        | 139        | 152        | 191        | 104        | 113        | 129        | 142        | 159        | 197        | 114        | 123        | 141        | 154        | 170        | 214        |
| 66       | 111        | 120        | 136        | 150        | 165        | 206        | 112        | 122        | 138        | 154        | 172<br>185 | 212<br>228 | 122        | 133        | 151        | 167        | 184        | 231<br>248 |
| 67       | 118        | 128        | 145        | 161        | 177        | 221        | 120        | 131        | 148        | 165        |            | 257        | 130        | 142        | 162        | 180        | 198        |            |
| 68<br>69 | 135<br>151 | 145<br>163 | 164<br>182 | 184<br>207 | 202<br>227 | 249<br>277 | 137<br>153 | 149<br>166 | 168<br>187 | 189<br>213 | 211<br>236 | 287        | 148<br>167 | 162<br>181 | 183<br>204 | 205<br>231 | 227<br>255 | 281<br>313 |
| 70       | 167        | 180        | 201        | 230        | 252        | 305        | 170        | 184        | 207        | 236        | 262        | 316        | 185        | 201        | 204        | 257        | 284        | 345        |
| 71       | 183        | 197        | 219        | 252        | 277        | 333        | 186        | 202        | 227        | 260        | 287        | 346        | 203        | 220        | 246        | 283        | 313        | 377        |
| 72       | 199        | 214        | 238        | 275        | 302        | 360        | 203        | 220        | 247        | 284        | 313        | 375        | 203        | 239        | 267        | 309        | 342        | 409        |
| 73       | 226        | 243        | 271        | 314        | 344        | 409        | 230        | 250        | 280        | 324        | 357        | 426        | 251        | 272        | 302        | 352        | 390        | 464        |
| 74       | 253        | 272        | 303        | 352        | 387        | 457        | 258        | 279        | 314        | 363        | 401        | 476        | 281        | 304        | 337        | 395        | 438        | 519        |
| 75       | 280        | 301        | 336        | 391        | 430        | 505        | 286        | 309        | 347        | 403        | 446        | 526        | 312        | 337        | 373        | 439        | 486        | 574        |
| 76       | 307        | 330        | 369        | 429        | 472        | 553        | 313        | 339        | 381        | 443        | 490        | 577        | 342        | 369        | 408        | 482        | 533        | 628        |
| 77       | 334        | 359        | 401        | 468        | 515        | 602        | 341        | 369        | 414        | 483        | 534        | 627        | 372        | 402        | 443        | 526        | 581        | 683        |
| 78       | 376        | 403        | 446        | 511        | 564        | 660        | 384        | 413        | 460        | 527        | 585        | 688        | 419        | 450        | 495        | 574        | 642        | 749        |
| 79       | 419        | 446        | 491        | 554        | 614        | 718        | 427        | 458        | 506        | 571        | 636        | 749        | 466        | 499        | 546        | 622        | 703        | 816        |
| 80       | 461        | 490        | 535        | 597        | 663        | 777        | 471        | 502        | 552        | 615        | 687        | 810        | 513        | 548        | 598        | 670        | 764        | 882        |
| 81       | 504        | 533        | 580        | 640        | 712        | 835        | 514        | 547        | 597        | 659        | 738        | 870        | 560        | 596        | 650        | 719        | 825        | 948        |
| 82       | 547        | 577        | 624        | 682        | 762        | 894        | 558        | 591        | 643        | 703        | 789        | 931        | 607        | 645        | 701        | 767        | 886        | 1,015      |
| 83       | 601        | 636        | 690        | 757        | 845        | 991        | 614        | 652        | 711        | 780        | 876        | 1,035      | 655        | 711        | 776        | 850        | 983        | 1,127      |
| 84       | 663        | 700        | 763        | 839        | 937        | 1,099      | 677        | 719        | 787        | 865        | 971        | 1,148      | 721        | 783        | 857        | 943        | 1,091      | 1,252      |
| 97       | 000        | , 00       | , 55       | 000        | 007        | 1,000      | 0,,        | , , , ,    | , , ,      | 000        | 0, 1       | 1,140      | ,          | , 00       | 007        | 0-10       | 1,001      | 1,202      |

Base Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit
Daily Benefit range from \$100 - \$500

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age   | 2 year | 3 year | 4 year | 5 year | 8 year | Lifetime | 2 year | 3 year | 4 year | 5 year | 8 year | Lifetime | 2 year | 3 year | 4 year | 5 year | 8 year | Lifetime |
|-------|--------|--------|--------|--------|--------|----------|--------|--------|--------|--------|--------|----------|--------|--------|--------|--------|--------|----------|
| 18-40 | 32     | 36     | 40     | 42     | 47     | 57       | 33     | 37     | 41     | 44     | 49     | 60       | 37     | 41     | 45     | 49     | 54     | 66       |
| 41    | 32     | 36     | 40     | 42     | 47     | 57       | 33     | 37     | 41     | 45     | 50     | 60       | 37     | 41     | 45     | 49     | 55     | 66       |
| 42    | 32     | 36     | 41     | 43     | 48     | 58       | 33     | 37     | 42     | 45     | 50     | 61       | 37     | 42     | 46     | 50     | 55     | 67       |
| 43    | 33     | 37     | 42     | 44     | 49     | 60       | 34     | 38     | 43     | 45     | 51     | 62       | 38     | 43     | 47     | 50     | 56     | 68       |
| 44    | 34     | 38     | 42     | 45     | 50     | 61       | 35     | 39     | 44     | 46     | 51     | 63       | 39     | 44     | 48     | 51     | 57     | 69       |
| 45    | 35     | 39     | 43     | 46     | 51     | 62       | 36     | 39     | 45     | 47     | 52     | 64       | 40     | 44     | 48     | 52     | 58     | 71       |
| 46    | 36     | 40     | 44     | 47     | 52     | 63       | 37     | 40     | 45     | 48     | 53     | 66       | 40     | 45     | 49     | 53     | 59     | 72       |
| 47    | 36     | 41     | 44     | 47     | 53     | 64       | 38     | 41     | 46     | 49     | 54     | 67       | 41     | 46     | 50     | 53     | 60     | 73       |
| 48    | 37     | 42     | 45     | 48     | 54     | 66       | 38     | 42     | 47     | 49     | 55     | 68       | 42     | 47     | 51     | 54     | 61     | 75       |
| 49    | 37     | 43     | 46     | 49     | 54     | 68       | 38     | 43     | 47     | 50     | 56     | 70       | 42     | 47     | 52     | 55     | 62     | 77       |
| 50    | 38     | 43     | 47     | 50     | 55     | 70       | 39     | 44     | 48     | 51     | 56     | 72       | 43     | 48     | 52     | 55     | 62     | 78       |
| 51    | 39     | 44     | 47     | 51     | 56     | 71       | 39     | 45     | 48     | 51     | 57     | 73       | 43     | 48     | 53     | 56     | 63     | 80       |
| 52    | 39     | 45     | 48     | 51     | 56     | 73       | 40     | 45     | 49     | 52     | 58     | 75       | 44     | 49     | 54     | 57     | 64     | 82       |
| 53    | 41     | 46     | 50     | 54     | 59     | 77       | 41     | 47     | 51     | 54     | 61     | 78       | 45     | 50     | 56     | 59     | 67     | 85       |
| 54    | 42     | 47     | 52     | 56     | 62     | 80       | 43     | 48     | 53     | 57     | 63     | 82       | 47     | 52     | 58     | 61     | 70     | 89       |
| 55    | 43     | 49     | 54     | 58     | 64     | 84       | 44     | 50     | 55     | 59     | 66     | 85       | 48     | 54     | 60     | 64     | 72     | 93       |
| 56    | 45     | 50     | 56     | 60     | 67     | 87       | 45     | 51     | 57     | 61     | 68     | 89       | 50     | 56     | 62     | 66     | 75     | 96       |
| 57    | 46     | 52     | 57     | 62     | 69     | 91       | 47     | 52     | 59     | 64     | 71     | 93       | 51     | 58     | 64     | 69     | 78     | 100      |
| 58    | 50     | 55     | 62     | 67     | 75     | 98       | 50     | 56     | 64     | 69     | 77     | 100      | 55     | 62     | 69     | 74     | 84     | 108      |
| 59    | 53     | 59     | 66     | 72     | 80     | 105      | 54     | 60     | 68     | 74     | 82     | 108      | 59     | 66     | 74     | 79     | 90     | 117      |
| 60    | 57     | 63     | 71     | 77     | 86     | 112      | 57     | 64     | 72     | 79     | 88     | 115      | 63     | 70     | 79     | 85     | 96     | 125      |
| 61    | 60     | 66     | 75     | 82     | 91     | 119      | 61     | 68     | 77     | 84     | 93     | 123      | 67     | 74     | 84     | 90     | 102    | 133      |
| 62    | 64     | 70     | 80     | 86     | 97     | 126      | 64     | 72     | 81     | 89     | 99     | 131      | 71     | 78     | 89     | 96     | 108    | 142      |
| 63    | 70     | 77     | 88     | 95     | 106    | 139      | 70     | 78     | 90     | 98     | 110    | 144      | 77     | 85     | 98     | 106    | 119    | 156      |
| 64    | 76     | 83     | 96     | 104    | 116    | 152      | 76     | 85     | 98     | 107    | 121    | 158      | 84     | 93     | 107    | 116    | 130    | 171      |
| 65    | 82     | 90     | 105    | 113    | 126    | 166      | 83     | 92     | 106    | 116    | 131    | 171      | 90     | 100    | 116    | 126    | 141    | 186      |
| 66    | 88     | 97     | 113    | 122    | 136    | 179      | 89     | 99     | 115    | 125    | 142    | 185      | 97     | 107    | 126    | 136    | 152    | 201      |
| 67    | 94     | 103    | 121    | 131    | 146    | 192      | 95     | 106    | 123    | 134    | 153    | 198      | 103    | 115    | 135    | 146    | 164    | 216      |
| 68    | 106    | 117    | 136    | 150    | 166    | 216      | 108    | 120    | 140    | 154    | 174    | 223      | 117    | 130    | 152    | 167    | 187    | 243      |
| 69    | 119    | 131    | 152    | 168    | 187    | 239      | 121    | 134    | 156    | 173    | 194    | 247      | 131    | 146    | 170    | 188    | 210    | 270      |
| 70    | 131    | 144    | 167    | 187    | 207    | 262      | 133    | 148    | 173    | 192    | 215    | 272      | 145    | 161    | 187    | 209    | 234    | 296      |
| 71    | 143    | 158    | 183    | 205    | 227    | 285      | 146    | 162    | 189    | 211    | 236    | 296      | 159    | 176    | 205    | 230    | 257    | 323      |
| 72    | 155    | 172    | 198    | 224    | 247    | 308      | 159    | 176    | 206    | 231    | 257    | 321      | 173    | 192    | 222    | 251    | 280    | 350      |
| 73    | 176    | 194    | 226    | 255    | 282    | 349      | 179    | 199    | 234    | 263    | 293    | 364      | 195    | 217    | 252    | 286    | 319    | 397      |
| 74    | 196    | 217    | 253    | 286    | 317    | 390      | 200    | 222    | 262    | 296    | 329    | 407      | 218    | 242    | 281    | 321    | 359    | 443      |
| 75    | 216    | 240    | 280    | 318    | 352    | 432      | 221    | 246    | 290    | 328    | 365    | 450      | 241    | 268    | 311    | 357    | 398    | 490      |
| 76    | 236    | 262    | 307    | 349    | 387    | 473      | 241    | 269    | 317    | 361    | 402    | 493      | 264    | 293    | 340    | 392    | 437    | 537      |
| 77    | 257    | 285    | 334    | 380    | 422    | 514      | 262    | 293    | 345    | 393    | 438    | 536      | 286    | 319    | 369    | 427    | 477    | 584      |
| 78    | 288    | 319    | 372    | 416    | 462    | 564      | 293    | 327    | 383    | 430    | 480    | 588      | 320    | 357    | 412    | 468    | 526    | 640      |
| 79    | 318    | 353    | 409    | 452    | 503    | 614      | 325    | 362    | 422    | 466    | 521    | 640      | 354    | 395    | 455    | 508    | 576    | 697      |
| 80    | 349    | 387    | 446    | 488    | 543    | 664      | 356    | 396    | 460    | 503    | 563    | 692      | 388    | 432    | 498    | 548    | 626    | 754      |
| 81    | 380    | 420    | 483    | 524    | 584    | 714      | 388    | 431    | 498    | 540    | 605    | 744      | 422    | 470    | 541    | 588    | 676    | 810      |
| 82    | 411    | 454    | 520    | 559    | 625    | 764      | 419    | 466    | 536    | 576    | 647    | 796      | 456    | 508    | 584    | 629    | 726    | 867      |
| 83    | 452    | 501    | 575    | 621    | 693    | 847      | 462    | 513    | 593    | 640    | 718    | 884      | 493    | 560    | 646    | 697    | 805    | 963      |
| 84    | 499    | 551    | 636    | 688    | 768    | 939      | 509    | 566    | 656    | 709    | 796    | 981      | 542    | 616    | 714    | 773    | 894    | 1,070    |
| 3.1   |        |        |        |        |        |          |        |        |        |        |        | ,        |        |        |        |        |        | .,       |

#### Generation Protector 2 (Proposed)

#### **Rider Premium Rates and Premium Factors**

| Factors applied to b | pase premium rat | es           |              |              |                  |              |              |              |                |                |              |                    |                        |                   |
|----------------------|------------------|--------------|--------------|--------------|------------------|--------------|--------------|--------------|----------------|----------------|--------------|--------------------|------------------------|-------------------|
| Rate Increase        | 80%              | 70%          | 50%          | 50%          | 50%<br><b>5%</b> | 0%           | 0%           | 0%           | 0%             | 0%<br>Full     | 0%           |                    |                        |                   |
|                      | 5%               | 4%           | 3%           | 5%           | Compound         |              |              |              | Return of      | Return of      |              |                    |                        |                   |
|                      | Compound         | Compound     | Compound     | Simple       | COLA             |              | Paid-up      |              | Premium        | Premium        | Spousal      | Benefit            | Restoration            |                   |
| Age                  | COLA             | COLA         | COLA         | COLA         | w/ 2x Cap        | 10-pay       | at age 65    | SBP          | Upon Death     | Upon Death     | Survivorship | Period             | of Benefits            |                   |
| 18-40                | 4.79             | 3.84         | 2.78         | 2.69         | 2.40             | 3.72         | 1.75         | 1.20         | 1.30           | 1.49           | 1.12         | 2 year             | 1.08                   |                   |
| 41                   | 4.79             | 3.84         | 2.78         | 2.69         | 2.40             | 3.72         | 1.75         | 1.20         | 1.30           | 1.49           | 1.12         | 3 year             | 1.05                   |                   |
| 42<br>43             | 4.79<br>4.77     | 3.84<br>3.83 | 2.78<br>2.78 | 2.69<br>2.69 | 2.40<br>2.40     | 3.72<br>3.63 | 1.75<br>1.78 | 1.20<br>1.20 | 1.30<br>1.32   | 1.49<br>1.51   | 1.12<br>1.12 | 4 year<br>5 year   | 1.04<br>1.04           |                   |
| 43                   | 4.77             | 3.81         | 2.78         | 2.69         | 2.40             | 3.53         | 1.80         | 1.20         | 1.34           | 1.53           | 1.12         | 8 year             | 1.04                   |                   |
| 45                   | 4.73             | 3.81         | 2.78         | 2.70         | 2.40             | 3.44         | 1.83         | 1.21         | 1.35           | 1.56           | 1.12         | Lifetime           | N / A                  |                   |
| 46                   | 4.72             | 3.79         | 2.78         | 2.70         | 2.40             | 3.34         | 1.85         | 1.21         | 1.37           | 1.58           | 1.12         |                    |                        |                   |
| 47                   | 4.70             | 3.77         | 2.78         | 2.70         | 2.40             | 3.25         | 1.88         | 1.21         | 1.39           | 1.60           | 1.12         |                    | Spousal                | Spousal           |
| 48                   | 4.66             | 3.76         | 2.78         | 2.69         | 2.40             | 3.18         | 1.95         | 1.21         | 1.41           | 1.62           | 1.12         |                    | Shared Care            | Shared Care       |
| 49                   | 4.63             | 3.74         | 2.78         | 2.69         | 2.40             | 3.10         | 2.03         | 1.22         | 1.43           | 1.65           | 1.12         | Benefit            | (with no               | (with 1 yr        |
| 50<br>51             | 4.61<br>4.57     | 3.74<br>3.72 | 2.76<br>2.76 | 2.67<br>2.67 | 2.40<br>2.40     | 3.03<br>2.95 | 2.10<br>2.18 | 1.22<br>1.22 | 1.45<br>1.47   | 1.67<br>1.70   | 1.12<br>1.12 | Period             | residual)<br>1.21      | residual)<br>1.12 |
| 52                   | 4.54             | 3.72         | 2.76         | 2.66         | 2.40             | 2.88         | 2.16         | 1.22         | 1.47           | 1.70           | 1.12         | 2 year<br>3 year   | 1.14                   | 1.12              |
| 53                   | 4.43             | 3.64         | 2.72         | 2.64         | 2.40             | 2.81         | 2.39         | 1.23         | 1.52           | 1.76           | 1.12         | 4 year             | 1.09                   | 1.08              |
| 54                   | 4.32             | 3.55         | 2.67         | 2.63         | 2.40             | 2.74         | 2.52         | 1.23         | 1.56           | 1.80           | 1.12         | 5 year             | 1.06                   | 1.05              |
| 55                   | 4.19             | 3.49         | 2.64         | 2.61         | 2.40             | 2.66         | -            | 1.23         | 1.59           | 1.84           | 1.12         | 8 year             | 1.02                   | 1.02              |
| 56                   | 4.09             | 3.40         | 2.60         | 2.60         | 2.40             | 2.59         | -            | 1.23         | 1.62           | 1.89           | 1.11         | Lifetime           | N / A                  | N/A               |
| 57                   | 3.98             | 3.33         | 2.55         | 2.58         | 2.40             | 2.52         | -            | 1.24         | 1.66           | 1.93           | 1.11         |                    |                        |                   |
| 58                   | 3.92             | 3.30         | 2.52         | 2.57         | 2.40             | 2.45         | -            | 1.24         | 1.69           | 1.97           | 1.11         |                    | enefits and Shared Car |                   |
| 59<br>60             | 3.87<br>3.83     | 3.25<br>3.21 | 2.49<br>2.46 | 2.55<br>2.55 | 2.39<br>2.39     | 2.37<br>2.30 | -            | 1.24<br>1.24 | 1.73<br>1.76   | 2.01<br>2.05   | 1.11<br>1.11 | not available with | Lifetime benefit perio | d option.         |
| 61                   | 3.78             | 3.21         | 2.46         | 2.55         | 2.39             | 2.30         | -            | 1.25         | 1.79           | 2.10           | 1.11         | HCC Monthly Be     | nofit                  | 1.06              |
| 62                   | 3.73             | 3.13         | 2.43         | 2.52         | 2.37             | 2.15         |              | 1.25         | 1.83           | 2.14           | 1.11         | Spousal Waiver     |                        | 1.03              |
| 63                   | 3.65             | 3.08         | 2.37         | 2.49         | 2.36             | 2.08         | _            | 1.25         | 1.90           | 2.23           | 1.11         | HCC Calendar D     |                        | 1.02              |
| 64                   | 3.58             | 3.03         | 2.34         | 2.46         | 2.34             | 2.02         | -            | 1.25         | 1.98           | 2.33           | 1.11         | Waiver of HCC E    |                        | 1.12              |
| 65                   | 3.49             | 2.96         | 2.31         | 2.45         | 2.34             | 1.95         | -            | 1.26         | 2.06           | 2.43           | 1.11         |                    |                        |                   |
| 66                   | 3.42             | 2.91         | 2.28         | 2.42         | 2.33             | 1.89         | -            | 1.26         | 2.14           | 2.53           | 1.10         | Monthly Indemn     | ity Benefit            |                   |
| 67                   | 3.35             | 2.86         | 2.25         | 2.39         | 2.31             | 1.82         | -            | 1.26         | 2.23           | 2.64           | 1.10         | 10%                |                        | 1.04              |
| 68<br>69             | 3.28<br>3.20     | 2.81<br>2.75 | 2.22<br>2.19 | 2.36<br>2.33 | 2.30<br>2.28     | 1.76<br>1.71 | -            | 1.26<br>1.27 | 2.36<br>2.50   | 2.81<br>3.00   | 1.10<br>1.10 | 25%<br>50%         |                        | 1.10<br>1.23      |
| 70                   | 3.20             | 2.75         | 2.19         | 2.33         | 2.26             | 1.65         |              | 1.27         | 2.65           | 3.00           | 1.10         | 100% (age < 60)    |                        | 2.57              |
| 71                   | 3.06             | 2.65         | 2.13         | 2.28         | 2.25             | 1.60         | _            | 1.27         | 2.80           | 3.40           | 1.08         | 100% (age < 60+)   |                        | 2.23              |
| 72                   | 2.99             | 2.60         | 2.10         | 2.25         | 2.24             | 1.54         | -            | 1.27         | 2.97           | 3.62           | 1.07         | , (ag)             |                        |                   |
| 73                   | 2.93             | 2.57         | 2.09         | 2.22         | 2.22             | 1.48         | -            | 1.28         | 3.54           | 4.54           | 1.06         | Elimination Peri   | od Factors             |                   |
| 74                   | 2.88             | 2.53         | 2.06         | 2.21         | 2.21             | 1.42         | -            | 1.28         | 4.23           | 5.71           | 1.05         | 7 Day              |                        | 1.30              |
| 75                   | 2.83             | 2.48         | 2.04         | 2.18         | 2.18             | 1.37         | -            | 1.28         | 5.06           | 7.21           | 1.04         | 30 Day             |                        | 1.18              |
| 76<br>77             | 2.77             | 2.45         | 2.01<br>2.00 | 2.16<br>2.13 | 2.16             | 1.31         | -            | 1.28         | 5.82           | 9.15           | 1.03         | 60 Day             |                        | 1.08              |
| 77                   | 2.72<br>2.68     | 2.41<br>2.38 | 1.98         | 2.13         | 2.15<br>2.13     | 1.25<br>1.22 |              | 1.29<br>1.29 | 6.07<br>7.28   | 11.66<br>13.99 | 1.02<br>1.02 | 90 Day<br>180 Day  |                        | 1.00<br>0.90      |
| 79                   | 2.63             | 2.35         | 1.95         | 2.12         | 2.12             | 1.19         |              | 1.29         | 8.74           | 16.79          | 1.02         | 365 Day            |                        | 0.80              |
| 80                   | 2.59             | 2.33         | 1.94         | 2.07         | 2.10             | 1.16         | _            | 1.29         | 10.48          | 20.15          | 1.02         | ooo bay            |                        | 0.00              |
| 81                   | 2.54             | 2.30         | 1.91         | 2.06         | 2.09             | 1.13         | -            | 1.30         | 10.48          | 20.15          | 1.02         | Risk Class Facto   | ors                    |                   |
| 82                   | 2.50             | 2.26         | 1.89         | 2.04         | 2.07             | 1.10         | -            | 1.30         | 10.48          | 20.15          | 1.02         | Preferred Plus     |                        | 0.85              |
| 83                   | 2.47             | 2.23         | 1.88         | 2.03         | 2.04             | 1.09         | -            | 1.30         | 10.48          | 20.15          | 1.02         | Preferred          |                        | 1.00              |
| 84                   | 2.43             | 2.21         | 1.86         | 2.01         | 2.01             | 1.08         | -            | 1.30         | 10.48          | 20.15          | 1.02         | Standard           |                        | 1.20              |
| 85                   | 2.41             | 2.19         | 1.85         | 1.98         | 2.00             | 0            | 0            | 1.30         | 10.48          | 20.15          | 1.02         | Select I           |                        | 1.50              |
| 88<br>89             | 2.32             | 2.13         | 1.80         | 1.92         | 1.94             | -            | -            | 1.30         | 10.48          | 20.15          | 1.02         | Select IV          |                        | 3.00              |
| 90                   | 2.30<br>2.27     | 2.09<br>2.07 | 1.77<br>1.76 | 1.89<br>1.86 | 1.92<br>1.89     | -            | -            | 1.30<br>1.30 | 10.48<br>10.48 | 20.15<br>20.15 | 1.02<br>1.02 | Discount Factor    | •                      |                   |
| 91                   | 2.25             | 2.04         | 1.74         | 1.85         | 1.88             | -            | -            | 1.30         | 10.48          | 20.15          | 1.02         | Married            | <u> </u>               | 0.90              |
| 92+                  | 2.21             | 2.02         | 1.73         | 1.82         | 1.85             | -            | -            | 1.30         | 10.48          | 20.15          | 1.02         | Spousal            |                        | 0.70              |
| 1                    | •                |              | -            |              |                  |              |              |              | - 1-           |                |              | Facility Care Only | / Endorsement          | 0.90              |
|                      |                  |              |              |              |                  |              |              |              |                |                |              |                    |                        |                   |

Coverage Enhancement Rider
Daily Benefit Premium Rates
Preferred Rate Class, 90 Day Elimination Period
Rates are per \$10 Facility Care Daily Benefit

Facility Care Benefit and 70% Home and Community Care Benefit

Facility Care Benefit and 100% Home and Community Care Benefit

| Age      | 2 year   | 3 year     | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   | 2 year   | 3 year   | 4 year   | 5 year   | 8 year   | Lifetime   |
|----------|----------|------------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|----------|----------|----------|----------|----------|------------|
| 18-40    | 44       | 49         | 54       | 57       | 64       | 78         | 45       | 50       | 56       | 61       | 67       | 82         | 50       | 56       | 61       | 67       | 73       | 90         |
| 41       | 44       | 49         | 54       | 57       | 64       | 78         | 45       | 50       | 56       | 61       | 68       | 82         | 50       | 56       | 61       | 67       | 75       | 90         |
| 42       | 44       | 49         | 56       | 59       | 66       | 79         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 57       | 62       | 67       | 74       | 91         |
| 43       | 44       | 50         | 56       | 59       | 66       | 80         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 57       | 63       | 67       | 75       | 91         |
| 44       | 45       | 50         | 56       | 59       | 66       | 80         | 46       | 51       | 57       | 61       | 68       | 83         | 51       | 58       | 63       | 67       | 75       | 91         |
| 45       | 45       | 51         | 56       | 59       | 66       | 80         | 47       | 51       | 57       | 61       | 68       | 84         | 51       | 58       | 63       | 67       | 75       | 92         |
| 46       | 45       | 51         | 56       | 60       | 66       | 81         | 47       | 51       | 57       | 61       | 68       | 84         | 52       | 58       | 63       | 67       | 75       | 92         |
| 47       | 46       | 52         | 56       | 60       | 67       | 81         | 47       | 52       | 57       | 61       | 68       | 84         | 52       | 58       | 63       | 67       | 76       | 92         |
| 48       | 47       | 53         | 57       | 61       | 67       | 83         | 48       | 53       | 58       | 62       | 69       | 86         | 53       | 59       | 64       | 68       | 77       | 94         |
| 49       | 48       | 54         | 58       | 62       | 68       | 86         | 49       | 54       | 59       | 63       | 70       | 88         | 53       | 59       | 65       | 69       | 78       | 96         |
| 50       | 49       | 55         | 59       | 63       | 69       | 88         | 50       | 55       | 60       | 64       | 71       | 90         | 54       | 60       | 66       | 70       | 79       | 99         |
| 51       | 50       | 55         | 61       | 64       | 70       | 90         | 51       | 56       | 61       | 65       | 72       | 92         | 55       | 61       | 67       | 70       | 80       | 101        |
| 52       | 50       | 56         | 62       | 65       | 71       | 92         | 51       | 57       | 61       | 66       | 73       | 94         | 56       | 61       | 68       | 71       | 81       | 103        |
| 53       | 51       | 57         | 63       | 66       | 73       | 95         | 52       | 58       | 63       | 67       | 75       | 97         | 56       | 62       | 69       | 73       | 83       | 106        |
| 54       | 52       | 58         | 64       | 68       | 75<br>77 | 97         | 53       | 59       | 64       | 69       | 77<br>70 | 100        | 57       | 63       | 70       | 75<br>76 | 85       | 108        |
| 55       | 52       | 59<br>50   | 65<br>66 | 69       | 77<br>70 | 100        | 53       | 59       | 66       | 71<br>72 | 79       | 102        | 58<br>50 | 65<br>66 | 72<br>73 | 76       | 86       | 111        |
| 56       | 53       | 59         | 66       | 71       | 79       | 103        | 54       | 60       | 67       |          | 81       | 105        | 59       | 66       | 73<br>75 | 78       | 88       | 113        |
| 57<br>58 | 54<br>57 | 60<br>63   | 67<br>70 | 72<br>76 | 81<br>85 | 105<br>111 | 55<br>57 | 61<br>64 | 69<br>72 | 74<br>78 | 82<br>87 | 107<br>114 | 59<br>62 | 67<br>70 | 75<br>78 | 80<br>84 | 90<br>95 | 116<br>123 |
| 59       | 59       | 66         | 70<br>74 | 80       | 89       | 117        | 60       | 67       | 72<br>76 | 82       | 91       | 120        | 66       | 73       | 82       | 88       | 100      | 130        |
| 60       | 62       | 69         | 74<br>78 | 84       | 94       | 122        | 63       | 70       | 76<br>79 | 86       | 96       | 126        | 69       | 76       | 86       | 93       | 105      | 136        |
| 61       | 65       | 71         | 81       | 88       | 98       | 128        | 66       | 73       | 83       | 90       | 100      | 132        | 72       | 70<br>79 | 90       | 97       | 109      | 143        |
| 62       | 68       | 74         | 85       | 92       | 102      | 133        | 68       | 76       | 86       | 94       | 105      | 139        | 75       | 82       | 93       | 101      | 114      | 150        |
| 63       | 74       | 81         | 93       | 101      | 113      | 147        | 75       | 83       | 95       | 104      | 116      | 152        | 82       | 90       | 103      | 112      | 126      | 165        |
| 64       | 80       | 88         | 102      | 110      | 123      | 161        | 81       | 90       | 103      | 113      | 126      | 166        | 88       | 98       | 113      | 122      | 137      | 181        |
| 65       | 86       | 95         | 110      | 119      | 133      | 175        | 87       | 97       | 112      | 122      | 137      | 180        | 95       | 105      | 122      | 133      | 149      | 196        |
| 66       | 93       | 102        | 119      | 129      | 143      | 188        | 94       | 104      | 121      | 132      | 147      | 194        | 102      | 113      | 132      | 143      | 160      | 211        |
| 67       | 99       | 109        | 127      | 138      | 153      | 202        | 100      | 111      | 129      | 141      | 158      | 208        | 109      | 121      | 141      | 153      | 172      | 227        |
| 68       | 112      | 123        | 143      | 157      | 175      | 226        | 113      | 126      | 146      | 161      | 180      | 234        | 123      | 137      | 160      | 175      | 196      | 255        |
| 69       | 125      | 137        | 160      | 177      | 196      | 251        | 127      | 140      | 163      | 182      | 202      | 259        | 138      | 153      | 178      | 197      | 221      | 283        |
| 70       | 138      | 152        | 176      | 196      | 217      | 275        | 140      | 155      | 180      | 202      | 225      | 285        | 152      | 169      | 197      | 219      | 245      | 311        |
| 71       | 151      | 166        | 192      | 215      | 239      | 299        | 153      | 170      | 197      | 222      | 247      | 311        | 167      | 185      | 215      | 241      | 270      | 339        |
| 72       | 164      | 180        | 208      | 235      | 260      | 323        | 167      | 185      | 214      | 242      | 269      | 337        | 181      | 201      | 233      | 263      | 294      | 367        |
| 73       | 185      | 204        | 236      | 268      | 296      | 367        | 189      | 209      | 242      | 276      | 307      | 382        | 205      | 228      | 264      | 300      | 335      | 417        |
| 74       | 206      | 228        | 263      | 301      | 333      | 410        | 211      | 234      | 271      | 310      | 345      | 427        | 229      | 255      | 295      | 338      | 377      | 466        |
| 75       | 228      | 252        | 290      | 334      | 370      | 453        | 233      | 258      | 299      | 344      | 384      | 472        | 253      | 281      | 326      | 375      | 418      | 515        |
| 76       | 249      | 276        | 317      | 367      | 406      | 497        | 254      | 283      | 328      | 379      | 422      | 517        | 277      | 308      | 357      | 412      | 459      | 564        |
| 77       | 271      | 299        | 345      | 399      | 443      | 540        | 276      | 307      | 356      | 413      | 460      | 563        | 301      | 335      | 388      | 449      | 500      | 613        |
| 78       | 303      | 335        | 385      | 437      | 489      | 592        | 309      | 344      | 397      | 451      | 508      | 617        | 336      | 375      | 433      | 491      | 553      | 673        |
| 79       | 335      | 370        | 425      | 475      | 536      | 645        | 342      | 380      | 439      | 490      | 555      | 672        | 372      | 414      | 478      | 533      | 605      | 732        |
| 80       | 367      | 406        | 466      | 512      | 582      | 697        | 375      | 416      | 480      | 528      | 603      | 727        | 408      | 454      | 523      | 575      | 657      | 792        |
| 81       | 399      | 442        | 506      | 550      | 629      | 750        | 407      | 453      | 521      | 567      | 651      | 781        | 443      | 494      | 568      | 618      | 710      | 851        |
| 82       | 431      | 477        | 546      | 587      | 675      | 802        | 440      | 489      | 563      | 605      | 699      | 836        | 479      | 533      | 614      | 660      | 762      | 911        |
| 83       | 475      | 526        | 604      | 652      | 749      | 890        | 485      | 539      | 622      | 672      | 776      | 928        | 517      | 588      | 679      | 732      | 846      | 1,012      |
| 86       | 579      | 650        | 759      | 834      | 964      | 1209       | 592      | 667      | 783      | 862      | 1002     | 1267       | 643      | 737      | 864      | 950      | 1109     | 1400       |
| 87       | 607      | 685        | 804      | 889      | 1031     | 1321       | 621      | 704      | 830      | 921      | 1073     | 1385       | 680      | 782      | 921      | 1020     | 1194     | 1538       |
| 88       | 635      | 721        | 850      | 945      | 1098     | 1433       | 650      | 740      | 877      | 979      | 1144     | 1503       | 716      | 827      | 978      | 1089     | 1279     | 1676       |
| 89       | 662      | 756<br>701 | 895      | 1001     | 1165     | 1544       | 679      | 777      | 924      | 1038     | 1214     | 1621       | 753      | 871      | 1035     | 1159     | 1364     | 1815       |
| 90       | 690      | 791        | 941      | 1057     | 1232     | 1656       | 708      | 813      | 971      | 1097     | 1285     | 1739       | 790      | 916      | 1092     | 1228     | 1449     | 1953       |
| 91       | 718      | 827        | 986      | 1112     | 1299     | 1768       | 737      | 850      | 1018     | 1156     | 1356     | 1858       | 827      | 961      | 1149     | 1298     | 1534     | 2091       |
| 92+      | 745      | 862        | 1032     | 1168     | 1366     | 1879       | 766      | 886      | 1065     | 1214     | 1427     | 1976       | 863      | 1006     | 1206     | 1367     | 1619     | 2230       |

Coverage Enhancement Rider Benefit Period Premium Rates Preferred Rate Class, 90 Day Elimination Period Rates are per \$10 Facility Care Daily Benefit

|                     |                  | Facility Care Be |                  | efit             |                  | acility Care E<br>ne and Comr |                  | Benefit          | Facility Care Benefit and 130% Home and Community Care Benefit |                  |                  |                  |
|---------------------|------------------|------------------|------------------|------------------|------------------|-------------------------------|------------------|------------------|--|------------------|------------------|------------------|
| From:<br>To:<br>Age | 2 year<br>3 year | 3 year<br>4 year | 4 year<br>5 year | 5 year<br>8 year | 2 year<br>3 year | 3 year<br>4 year              | 4 year<br>5 year | 5 year<br>8 year | 2 year<br>3 year   | 3 year<br>4 year | 4 year<br>5 year | 5 year<br>8 year |
| 18-40               | 17               | 18               | 18               | 22               | 17               | 19                            | 20               | 22               | 19   | 20               | 22               | 25               |
| 41                  | 17               | 18               | 18               | 22               | 17               | 19                            | 20               | 23               | 19   | 20               | 22               | 25               |
| 42                  | 17               | 18               | 18               | 22               | 17               | 19                            | 19               | 23               | 19   | 20               | 22               | 25               |
| 43                  | 16               | 18               | 18               | 22               | 17               | 19                            | 18               | 22               | 19   | 20               | 21               | 24               |
| 44                  | 16               | 18               | 17               | 21               | 16               | 18                            | 18               | 21               | 19   | 19               | 20               | 24               |
| 45                  | 16               | 17               | 16               | 20               | 15               | 18                            | 17               | 21               | 18   | 18               | 19               | 23               |
| 46                  | 16               | 16               | 16               | 20               | 15               | 17                            | 17               | 20               | 17   | 18               | 18               | 23               |
| 47                  | 16               | 15               | 15               | 19               | 15               | 16                            | 16               | 19               | 17   | 17               | 17               | 23               |
| 48                  | 16               | 15               | 15               | 19               | 15               | 16                            | 16               | 20               | 17   | 18               | 17               | 23               |
| 49                  | 16               | 16               | 16               | 19               | 15               | 16                            | 16               | 20               | 17   | 18               | 17               | 23               |
| 50                  | 16               | 16               | 16               | 19               | 15               | 16                            | 17               | 20               | 17   | 18               | 17               | 23               |
| 51                  | 16               | 17               | 16               | 19               | 15               | 16                            | 17               | 21               | 17   | 19               | 17               | 23               |
| 52                  | 16               | 17               | 16               | 19               | 15               | 16                            | 17               | 21               | 17   | 19               | 17               | 23               |
| 53                  | 16               | 17               | 16               | 19               | 15               | 16                            | 16               | 21               | 17   | 19               | 17               | 23               |
| 54                  | 15               | 16               | 15               | 19               | 15               | 16                            | 16               | 20               | 17   | 18               | 17               | 23               |
| 55                  | 15               | 16               | 15               | 19               | 15               | 16                            | 16               | 20               | 16   | 18               | 16               | 23               |
| 56                  | 14               | 15               | 15               | 19               | 14               | 16                            | 15               | 19               | 16   | 17               | 16               | 22               |
| 57                  | 14<br>13         | 15<br>15         | 14<br>14         | 19<br>18         | 14<br>13         | 16                            | 15<br>14         | 19<br>18         | 16<br>15   | 17<br>17         | 15<br>15         | 21<br>21         |
| 58<br>59            | 12               | 15               | 13               | 17               | 13               | 16<br>16                      | 14               | 18               | 14   | 17               | 15               | 20               |
| 60                  | 12               | 15               | 13               | 17               | 12               | 15                            | 14               | 17               | 13   | 16               | 14               | 20               |
| 61                  | 11               | 15               | 12               | 16               | 12               | 15                            | 13               | 17               | 13   | 16               | 14               | 19               |
| 62                  | 11               | 15               | 13               | 16               | 12               | 15                            | 13               | 17               | 12   | 16               | 14               | 19               |
| 63                  | 11               | 16               | 13               | 17               | 12               | 16                            | 14               | 17               | 13   | 18               | 14               | 20               |
| 64                  | 12               | 18               | 14               | 18               | 13               | 18                            | 15               | 19               | 14   | 20               | 15               | 21               |
| 65                  | 13               | 20               | 15               | 20               | 14               | 20                            | 16               | 20               | 15   | 22               | 16               | 23               |
| 66                  | 14               | 22               | 16               | 21               | 15               | 22                            | 17               | 22               | 16   | 24               | 18               | 24               |
| 67                  | 15               | 24               | 17               | 22               | 16               | 24                            | 18               | 23               | 17   | 27               | 19               | 26               |
| 68                  | 17               | 26               | 21               | 25               | 18               | 27                            | 22               | 26               | 19   | 30               | 23               | 29               |
| 69                  | 18               | 29               | 25               | 28               | 20               | 30                            | 26               | 30               | 22   | 33               | 28               | 33               |
| 70                  | 20               | 32               | 29               | 31               | 22               | 32                            | 30               | 33               | 24   | 36               | 32               | 36               |
| 71                  | 22               | 34               | 33               | 33               | 24               | 35                            | 34               | 36               | 26   | 39               | 37               | 40               |
| 72                  | 24               | 37               | 37               | 36               | 26               | 38                            | 38               | 39               | 29   | 42               | 41               | 43               |
| 73                  | 28               | 41               | 43               | 41               | 29               | 43                            | 45               | 44               | 33   | 47               | 49               | 49               |
| 74                  | 31               | 46               | 50               | 47               | 33               | 48                            | 52               | 50               | 37   | 53               | 56               | 55               |
| 75                  | 35               | 50               | 57               | 52               | 37               | 53                            | 59               | 56               | 41   | 58               | 64               | 61               |
| 76                  | 38               | 55               | 64               | 57               | 40               | 58                            | 66               | 61               | 45   | 64               | 72               | 67               |
| 77                  | 42<br>47         | 60               | 71<br>70         | 62<br>73         | 44<br>49         | 63                            | 74<br>73         | 67               | 49   | 69               | 79<br>79         | 73<br>85         |
| 78<br>79            | 47<br>51         | 66<br>73         | 70<br>69         | 84               | 49<br>54         | 70<br>77                      | 73<br>72         | 78<br>89         | 54<br>60   | 76<br>84         | 79<br>78         | 97               |
| 80                  | 56               | 73<br>79         | 69               | 95               | 59               | 84                            | 71               | 100              | 66   | 91               | 76<br>77         | 109              |
| 81                  | 61               | 86               | 68               | 105              | 65               | 90                            | 70               | 112              | 71   | 98               | 76               | 121              |
| 84                  | 80               | 116              | 86               | 143              | 85               | 123                           | 89               | 152              | 105  | 134              | 97               | 166              |
| 85                  | 89               | 128              | 98               | 157              | 94               | 135                           | 103              | 167              | 115  | 148              | 112              | 185              |
| 86                  | 98               | 140              | 111              | 170              | 103              | 147                           | 117              | 182              | 125  | 162              | 127              | 204              |
| 87                  | 107              | 152              | 123              | 184              | 112              | 159                           | 130              | 196              | 134  | 177              | 142              | 223              |
| 88                  | 116              | 164              | 136              | 198              | 121              | 172                           | 144              | 211              | 144  | 191              | 158              | 242              |
| 89                  | 125              | 175              | 148              | 212              | 130              | 184                           | 158              | 226              | 154  | 205              | 173              | 261              |
| 90                  | 134              | 187              | 160              | 226              | 139              | 196                           | 172              | 240              | 164  | 220              | 188              | 280              |
| 91                  | 143              | 199              | 173              | 240              | 148              | 208                           | 186              | 255              | 174  | 234              | 203              | 298              |
| 92+                 | 152              | 211              | 185              | 253              | 157              | 221                           | 200              | 270              | 183  | 249              | 218              | 317              |

#### Coverage Enhancement Rider Elimination Period Factors Preferred Rate Class

| From:    | 30 days | 60 days      | 90 days      | 180 days     | 365 days     |
|----------|---------|--------------|--------------|--------------|--------------|
| To:      |         | 30 days      |              | 90 days      | 180 days     |
| Age      | ,       |              |              |              | ,            |
| 18-40    | 1.50    | 1.49         | 1.47         | 1.51         | 1.53         |
| 41       | 1.50    | 1.49         | 1.47         | 1.51         | 1.53         |
| 42       | 1.50    | 1.49         | 1.47         | 1.51         | 1.53         |
| 43       | 1.48    | 1.46         | 1.45         | 1.49         | 1.51         |
| 44       | _       | 1.44         | 1.43         | 1.47         | 1.49         |
| 45       |         | 1.42         | 1.40         | 1.44         | 1.46         |
| 46       |         | 1.40         | 1.38         | 1.42         | 1.44         |
| 47       | 1.39    | 1.38         | 1.36         | 1.40         | 1.42         |
| 48       |         | 1.38         | 1.36         | 1.40         | 1.42         |
| 49       |         | 1.38         | 1.36         | 1.40         | 1.42         |
| 50       |         | 1.38         | 1.36         | 1.40         | 1.42         |
| 51       | 1.39    | 1.38         | 1.36         | 1.40         | 1.42         |
| 52<br>53 |         | 1.38<br>1.35 | 1.36<br>1.34 | 1.40<br>1.38 | 1.42         |
| 53<br>54 |         | 1.33         | 1.34         | 1.36         | 1.40<br>1.37 |
| 54<br>55 |         | 1.33         | 1.32         | 1.33         | 1.35         |
| 56       |         | 1.29         | 1.27         | 1.33         | 1.33         |
| 57       |         | 1.23         | 1.25         | 1.29         | 1.31         |
| 58       |         | 1.25         | 1.23         | 1.27         | 1.28         |
| 59       |         | 1.22         | 1.21         | 1.24         | 1.26         |
| 60       |         | 1.20         | 1.19         | 1.22         | 1.24         |
| 61       | 1.19    | 1.18         | 1.17         | 1.20         | 1.22         |
| 62       |         | 1.16         | 1.14         | 1.18         | 1.19         |
| 63       | 1.17    | 1.16         | 1.14         | 1.18         | 1.19         |
| 64       | 1.16    | 1.15         | 1.14         | 1.17         | 1.19         |
| 65       | 1.16    | 1.15         | 1.14         | 1.17         | 1.19         |
| 66       | 1.16    | 1.15         | 1.14         | 1.17         | 1.18         |
| 67       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 68       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 69       | _       | 1.15         | 1.13         | 1.17         | 1.18         |
| 70       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 71       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 72       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 73       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 74<br>75 | _       | 1.15         | 1.13         | 1.17<br>1.17 | 1.18<br>1.18 |
| 75<br>76 |         | 1.15<br>1.15 | 1.13<br>1.13 | 1.17         | 1.18         |
| 76       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 78       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 79       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 80       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 81       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 82       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 83       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 86       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 87       |         | 1.15         | 1.13         | 1.17         | 1.18         |
| 88       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 89       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 90       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 91       | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
| 92+      | 1.16    | 1.15         | 1.13         | 1.17         | 1.18         |
|          |         |              |              |              |              |

# CERTIFICATION OF COMPLIANCE

# VIRGINIA BUREAU OF INSURANCE

| I, | Steve | Thiel | , UP  | Actualal | • |
|----|-------|-------|-------|----------|---|
|    | Name  |       | Title |          |   |

as a representative of Allianz Life Insurance Company of North America have reviewed the enclosed policy forms and certify that, to the best of my knowledge and belief, each form submitted is consistent and complies with the requirements of Title 38.2 of the code of Virginia and the regulations promulgated pursuant thereto.

Signature

Date

# **Allianz Life Insurance Company of North America**

# Home Office: 5701 Golden Hills Drive Minneapolis, MN 55416-1297

# Actuarial Memorandum Supporting 60% Aggregate Premium Rate Increase On Individual Long-Term Care Insurance Policy Forms

# 1. TYPE OF CHANGE

Allianz Life Insurance Company of North America (Company) proposes the following rate revisions for these riders (collectively referred to as COLA riders) attached to the following policy forms issued in Virginia.

Generation Protector II Policy Form Series: 11-P-Q-VA

11-R3 5% LIFETIME COMPOUND BENEFIT INCREASE RIDER – 80% rate increase

11-R2 4% LIFETIME COMPOUND BENEFIT INCREASE RIDER – 70% rate increase

11-R1 3% LIFETIME COMPOUND BENEFIT INCREASE RIDER - 50% rate increase

11-R4 TWO TIMES COMPOUND BENEFIT INCREASE RIDER – 50% rate increase

11-R5 SIMPLE BENEFIT INCREASE RIDER – 50% rate increase

Base Premium Rates – no rate change

The result of this rate increase on the above COLA riders, if approved, is similar to a 60% aggregate rate increase on the base policy form and associated rider nationally. The revised rates will be guaranteed not to increase for 4 years if the proposed rates are approved.

Our company expects to implement the rate change in 2016 or 2017 if this filing is approved.

# 2. PURPOSE OF FILING

This actuarial memorandum has been prepared for the purpose of demonstrating that a premium rate increase is justified under rate stabilization regulation based on the Long Term Care Model Regulation. Moderately adverse is defined as a 5% increase in the lifetime loss ratio of these policy forms from the current best estimates. The lifetime loss ratio projections (Exhibits 4-7) are based on current best estimates and do not include this additional 5% increase.

The "58/85" calculation of Section 20.C.(2) of the Long-Term Care Insurance Model Regulation applied to the historical experience and "moderately adverse" assumption produces a justified premium rate increase of 110% (see Exhibit 8). In consideration of our policyholders while balancing the financial viability of these policies, the Company prefers not to request a premium rate increase of this magnitude and is filing for an 60% aggregate rate increase instead. Regarding the schedule of additional rate increases, the Company does not plan to file for any future rate increases if the proposed rate request is approved and implemented and the underlying assumptions, which reflect moderately adverse conditions, are realized.

#### 3. LIMITATIONS AND EXCLUSIONS

This actuarial memorandum is intended to support a 60% aggregate premium rate increase described above on this plan of insurance and it is not appropriate to use for any other purposes.

#### 4. HISTORY OF RATE REVISION

There has been no previous rate revision in Virginia. A history of rate revisions for all Allianz LTC products is included in the Exhibit 1.

#### 5. SCOPE AND APPLICABILITY

This filing applies to active premium paying policies issued in this state for the policy forms listed above. These policy forms are no longer being marketed. The rate changes will only apply to applicable riders and there are no changes to the base premiums. Exhibit 2 provides a distribution of in-force policies and total annual premiums by issue state.

These rates when approved will be applied to all policies delivered or issued for delivery in the state of Virginia, regardless of place of current residence.

# 6. DESCRIPTION OF BENEFITS

These plans are Guaranteed Renewable, Tax Qualified and Non-Qualified, Individual Long Term Care Insurance plan. Plans covers facility care and home and community care where applicable. Premiums vary by issue age and are projected to be level for the duration of the policy, unless modified by the riders elected by the policyholder. Rider charges are factor based and are a multiplier of the base premium.

# Several coverage options are available:

- Various Maximum Benefit Periods
- Various Daily Benefit Amounts
- Various Elimination Periods
- ❖ Facility Care Plan with various Home and Community Care Benefit levels
- ❖ Separate rates for different underwriting classes
- Separate rates for joint and single lives

#### 7. POLICYHOLDER OPTIONS

Assuming that the proposed rate increase becomes effective, policyholders will have the following options upon notification of the rate increase:

Policyholder Options to Reduce Benefits:

Policyholders with benefits above the minimum coverage level have the option to modify their policy benefits to mitigate the impact of the proposed rate increase. As examples, the options include, but are not limited to the following:

- 1. Lower their lifetime maximum benefit,
- 2. Lower their daily benefit,
- 3. Increase their elimination period.
- 4. Reduce or cancel COLA riders.

To further minimize the impact to policyholders: As a part of this rate increase, policyholders who reduce or cancel their COLA benefit riders will maintain all of their past COLA benefit increase percentages. Future premiums and benefit increases will be based on the new coverage levels elected by the policyholder. If the policyholder reduces their daily benefit, then the past increase in daily benefit from COLA rider will be reduced by the same proportion.

# Example of a COLA rider reduction:

Policyholder with a 5% compound inflation rider can minimize the size of the rate increase reducing to a 5% simple inflation protection rider. Unless policyholders reduce their daily benefit amounts, their current daily benefits will not change as the past COLA increases will be fully vested, and they will receive a 5% simple inflation protection going forward based on their current daily benefit amount. Policyholders who elect to reduce or cancel their COLA benefit riders will likely see an overall decrease in their premiums.

| 57 Single Female, \$150 Original Daily Benefit, 100% HCC, <b>5yr</b> I 5% compound COLA, Preferred UW, 10 <sup>th</sup> Policy Duration | 3P       |
|---|----------|
| Original Annual Premium (5% Compound COLA)  | \$2,519  |
| Annual Premium (80% rate increase, no COLA change)  | \$4,535  |
| Annual Premium (50% rate increase, change to 5% simple COLA)  | \$2,941  |
| Premium Reduction from COLA change  | -\$1,594 |

| 57 Single Female, \$150 Original Daily Benefit, 100% HCC, <b>Lifetime</b> BP 5% compound COLA, Preferred UW, 10 <sup>th</sup> Policy Duration |          |  |  |  |  |
|---|----------|--|--|--|--|
| Original Annual Premium (5% Compound COLA)  | \$3,448  |  |  |  |  |
| Annual Premium (80% rate increase, no COLA change)  | \$6,206  |  |  |  |  |
| Annual Premium (50% rate increase, change to 5% simple COLA)  | \$4,025  |  |  |  |  |
| Premium Reduction from COLA change  | -\$2,181 |  |  |  |  |

Example of a COLA Cancellation:

| 57 Single Female, \$150 Original Daily Benefit, 100% HCC, <b>5yr</b> F | 3P    |
|--|-------|
| 5% compound COLA, Preferred UW, 10 <sup>th</sup> Policy Duration       |       |
| Original Daily Benefit   | \$150 |
| Current Daily Benefit = 150 * 1.05^10                                  | \$244 |
| Daily Benefit after canceling COLA rider                               |       |
| (cancelled within election window)                                     | \$244 |

# Example of Daily Benefit Reduction:

| 57 Single Female, \$150 Original Daily Benefit, 100% HCC, <b>5yr</b> F 5% compound COLA, Preferred UW, 10 <sup>th</sup> Policy Duration | ·     |  |  |  |  |  |
|---|-------|--|--|--|--|--|
| Original Daily Benefit  | \$150 |  |  |  |  |  |
| Current Daily Benefit = 150 * 1.05^10   | \$244 |  |  |  |  |  |
| Reduced Daily benefit from 150 to 100 = 100 * 1.05^10   | \$163 |  |  |  |  |  |

# Actuarial Equivalence of Vested COLA Benefits:

Exhibit 3 illustrates the future loss ratio for sample policyholders who cancel their 5% compound COLA, or reduce to a 5% simple COLA after the proposed rate increase. Assumptions used in this analysis are consistent with those within this rate filing.

#### *Non-forfeiture Offers:*

In addition, the Company will give the policyholder the option to accept a non-forfeiture benefit if they receive a premium increase at no charge. Acceptance of the non-forfeiture benefit will provide the policyholder with a reduced paid-up policy, with no future premiums required after the effective date of the policyholder's rate increase. Policyholders who elect this option will pay no additional premiums after the effective date of the rate increase, and their benefit pool will be their total premiums paid. In consideration of our policyholders, our company does not subtract past claims from the benefit pool prior to the election of this rider.

#### 8. ISSUE YEAR

These forms were sold from 2006 to 2009 in Virginia, and marketed nationally from 2006 through 2009. These forms are no longer being issued in any state as Allianz stopped issuing all individual standalone long-term care insurance in 2010.

#### 9. UNDERWRITING DESCRIPTION

All policies subject to this rate revision were subject to full underwriting in accordance with Company standards in place at the time of issue. Those underwriting standards were taken into consideration when projecting future experience. The underwriting selection factor wear off will be monitored and may be reflected in future projections.

#### 10. MARKETING METHOD

Sales were conducted by individual agents, who sold primarily on an individual policy basis. The Company no longer sells long-term care insurance policies.

# 11. AREA FACTORS

The Company did not use area factors within the state.

# 12. AVERAGE ANNUAL PREMIUM PER INSURED

# Virginia Generation Protector Policy Forms:

| Current Average Annual Premium: | \$2,307 | (742 Policies Inforce) |  |
|---------------------------------|---------|------------------------|--|
| Proposed (60% increase):        | \$3,691 |                        |  |

# National Generation Protector Policy Forms:

| Original Average Annual Premium: | \$2,180 | (15,767 Policies Inforce) |  |
|----------------------------------|---------|---------------------------|--|
|----------------------------------|---------|---------------------------|--|

# 13. PREMIUM MODALIZATION RULES

The modal premium factors will remain unchanged from the current factors.

#### 14. CLAIM RESERVE

At each valuation date, a claim reserve is computed for each active and pending claim case. For active claims, the claim reserve is calculated as the present value of future benefits from the valuation date to the end of the benefit period. Benefit amounts are discounted for interest and claim continuance. Claim reserve have been discounted and allocated to the appropriate incurred year.

#### 15. BEST ESTIMATE ACTUARIAL ASSUMPTIONS

#### a. Morbidity:

Attained age claim costs and Waiver of Premium benefits used in projecting future experience for this form have been developed utilizing Company-specific policy experience enhanced with other industry data as needed. Claim costs vary by joint policy status (joint vs. single), gender and various level of home health care with adjustments for elimination periods and riders.

Claim costs are developed from first principle using company specific historical claim experience. Allianz incidence rates are typically credible up to age 75. The incidence rates for the older ages (75+) is developed based on actuarial judgment using our own experience along with data provided by our consultant in 2012 and the 2007 SOA LTC Intercompany Study. Allianz continuance rates were blended with industry data that was provided by our consultant in 2012 using limited fluctuation credibility. Generally, Allianz continuance rates are lower than industry experience.

Future claim costs are projected on a seriatim basis for each policyholder. These claim costs are adjusted according to each policy's benefit designs, such as COLA option, elimination periods and benefit periods. There is no morbidity load for anti-selection since this will be the first rate increase for these policies.

Underwriting, claim management and product design were taken into consideration when setting the assumptions. Allianz historical experience includes the positive impact of underwriting selection and these underwriting factors are expected to wear off in the future. No scalar increases to the claim cost assumption are made within these projections to reflect the wear off from underwriting selection.

# b. Mortality:

The projected future experience uses 80% of the gender-distinct 1994 GAM table that was derived by projected from 1994 to 2014 with a 1% improvement. This assumption is developed based on feedback from our consultants and is consistent with industry practice. The mortality assumption balances our morbidity assumption as neither is projected to have future improvements.

# c. Persistency:

The Company's own experience was used for this study. The experience is determined to be credible and the voluntary lapses by duration are as follows:

- 1 7.00 %
- 2 3.40 %
- 3 2.20 %
- 4 1.50 %
- 5 1.00 %
- 6 0.90 %
- 7 0.75 % (for all durations 7 and above)

Additional lapses caused by exhaustion of benefits are also modeled using claim incidence and continuance rates. The total terminations not caused by deaths are estimated to be around 1.75% annually, all policyholders are on duration 7+.

Based on company experience, a 2% increase to lapse rate is assumed immediately after the implementation of the rate increase to account for the election of reduced paid up benefit.

# d. Expected Benefit Reduction:

Based on company's experience in the previous rate increase, the cash flow projection for proposed rate increase includes a 3% cancellation in COLA benefits, 2% decrease in daily benefit, and 4% of policies with a reduction in benefit period. Past COLA benefit increases are modeled as 100% vested in the loss ratio projection.

# e. Interest and Investment Income:

Interest rate of 4.0% used in the original product filing is also used in these exhibits to calculate the loss ratio. Changes in interest rates and investment income are not used to justify the rate increase.

# f. Expenses:

Changes in expense are not used to justify the rate increase and are not included in this analysis. It is assumed that original expense assumptions are still appropriate

# g. Moderately Adverse Assumption:

Moderately adverse condition is defined as a 5% increase in the lifetime loss ratio above current best estimates. The loss ratio projections within Exhibit 3-7 are based on the best estimate assumptions and original pricing discount rates as specified above.

# 16. DEMONSTRATION OF SATISFACTION OF REQUIREMENTS

The projections included in this filing are produced by applying "best estimate" actuarial assumptions that reasonably reflect actual experience. The anticipated lifetime loss ratio for policies based on these assumptions is currently 101.3% and 121.0% for National and Virginia without the rate increase (Exhibit 4 & 5), 78.9% and 89.0% after the proposed rate increase (Exhibits 6 & 7). Loss ratios for Virginia policyholders are slightly higher than national policies mainly due to the difference in distribution of business mix.

The 60% rate increase is not calculated to achieve a targeted loss ratio or to maintain rate stability. Due to requesting a lower increase than is actuarially justified, the Company is considering filing at least one additional future rate increase as long as it is actuarially justified. The Company will continue to monitor the experience for this policy form and incorporate that experience in future rate reviews.

A detailed demonstration of the 58/85 calculations justifying the rate increase could be found in Exhibits 8. The justifiable rate increases under moderately adverse conditions are 110% on a national basis. Moderately adverse conditions for the 58/85 calculation are defined as a 10% increase in future claim cost over the current best estimate.

Actual to expected loss ratio is close to 100% (Exhibit 4).

# 17. ANALYSIS PERFORMED TO CONSIDER A RATE INCREASE

The initial premium schedules were based on pricing assumptions that reflected the Company's best estimate utilizing the available information at the time. Actual experience for these policies has deviated from those original assumptions. A rate increase is necessary to help these products achieve the Company's revised loss ratio target of 75%. The original pricing assumptions compared to our current assumptions are included in the Exhibit 10.

# 18. LOSS RATIOS

The analysis below breaks down the lifetime loss ratio by each assumption update to the original pricing assumption. To reflect Virginia rate increase history, rate increases implemented in other states are removed from projected future experience. For actuarial modeling purposes the rate increase of 60% is assumed to be effective July, 2016.

|                     | National Experience Without Rate Increase |                 |                      |                         |
|---------------------|---|-----------------|----------------------|-------------------------|
|                     | <u>Earned</u><br><u>Premium</u>           | Incurred Claims | <u>Loss</u><br>ratio | Marginal Increase to LR |
| Original Loss Ratio |   |                 | 66.0%                |                         |

| 660,495,407<br>660,495,407 | 669,377,487<br>669,377,487                                       | 101.3%  | 0.0%  |
|----------------------------|--|---|---|
| 060,495,407                | 669,377,487  | 101.3%  | 0.0%  |
| CCO 405 407                | ((0, 277, 497  | 101 20/   | 0.00/   |
| 660,495,407                | 669,377,487  | 101.3%  | 53.6%   |
| 560,495,407                | 669,377,487  | 101.3%  | -1.3%   |
| , ,                        | 547,858,356<br>666,942,853                                       | 86.5%<br>102.2%   | 31.0%<br>23.8%  |
|                            | 633,545,084<br>652,696,177<br>660,495,407<br>660, <b>495,407</b> | 652,696,177     666,942,853       660,495,407     669,377,487 | 652,696,177       666,942,853       102.2%         660,495,407       669,377,487       101.3% |

|                                  | National Experience After 60% Rate Increase |               |              |                         |
|----------------------------------|---|---------------|--------------|-------------------------|
|                                  | <u>Earned</u>                               | Incurred      | Loss         | Marginal Increase to LR |
|                                  | <u>Premium</u>                              | <u>Claims</u> | <u>ratio</u> |                         |
| <b>Best Estimate Assumption:</b> | 802,087,105                                 | 632,903,638   | 78.9%        | 19.5%                   |

Based on historical experience combined with projected future experience.

Premiums and Claims cash flows are discounted at original pricing interest rate (4.0%).

Loss Ratio by COLA riders prior to the rate increase:

|                              | 5%       | 4%       | Other | No    | Grand  |
|------------------------------|----------|----------|-------|-------|--------|
| National                     | Compound | Compound | COLA  | COLA* | Total  |
| Proposed Rate Increase       | 80.0%    | 70.0%    | 50.0% | 0.0%  | 60.0%  |
| Lifetime LR No Rate Increase | 130.7%   | 102.1%   | 83.4% | 50.1% | 101.3% |
| Lifetime LR After Increase   | 93.2%    | 75.4%    | 66.8% | 53.1% | 78.9%  |

<sup>\*</sup>The lifetime loss ratio of No COLA increases after the rate increase due to the policyholders who cancel their COLA riders and vest their past COLA daily benefit increase. This increase also demonstrates that the actuarial equivalent of vesting COLA is larger than policyholders who have not elected COLA.

# 19. DISTRIBUTION OF BUSINESS

The historical experience reflects the actual distribution of policies during the experience period. We used the current distribution of business as of Dec 31, 2014 to project future experience.

|                | National               |      |       |       |        |
|----------------|------------------------|------|-------|-------|--------|
|                | 5% 4% Compound Other N |      |       |       | Grand  |
| Benefit period | COLA                   | COLA | COLA  | COLA  | Total  |
| 2-Year         | 0.7%                   | 0.1% | 0.9%  | 0.8%  | 2.4%   |
| 3-Year         | 9.2%                   | 1.4% | 9.3%  | 4.8%  | 24.7%  |
| 4-Year         | 6.0%                   | 0.8% | 4.2%  | 1.7%  | 12.8%  |
| 5-Year         | 15.8%                  | 1.8% | 10.5% | 4.8%  | 32.9%  |
| 8-Year         | 7.0%                   | 0.7% | 3.3%  | 1.8%  | 12.8%  |
| Lifetime       | 6.9%                   | 0.7% | 4.0%  | 2.8%  | 14.4%  |
| Grand Total    | 45.6%                  | 5.5% | 32.3% | 16.7% | 100.0% |

|                               | Virginia       |                |               |            |                |
|-------------------------------|----------------|----------------|---------------|------------|----------------|
| Benefit period                | 5%<br>Compound | 4%<br>Compound | Other<br>COLA | No<br>COLA | Grand<br>Total |
| 2-Year                        | 1.6%           | 0.0%           | 0.1%          | 0.0%       | 1.8%           |
| 3-Year                        | 10.6%          | 1.2%           | 3.9%          | 2.0%       | 17.8%          |
| 4-Year                        | 3.8%           | 0.4%           | 4.2%          | 0.4%       | 8.8%           |
| 5-Year                        | 27.4%          | 2.6%           | 5.7%          | 1.5%       | 37.1%          |
| 8-Year                        | 7.4%           | 0.7%           | 3.2%          | 1.6%       | 12.9%          |
| Lifetime                      | 10.9%          | 1.8%           | 7.3%          | 1.8%       | 21.7%          |
| Grand Total                   | 61.7%          | 6.6%           | 24.4%         | 7.3%       | 100.0%         |
| <b>Proposed Rate Increase</b> | 80%            | 70%            | 50%           | 0%         | 60%            |
| Policyholder Impacted         | 458            | 49             | 181           | 54         | 742            |

# 20. ACTUARIAL CERTIFICATION

I am an Associate of the Society of Actuaries and a Member of the American Academy of Actuaries, and I meet the Academy's qualifications standards for preparing health rate filings.

Claims, reserves, and policyholder data are provided by our third party administrator and our valuation actuaries. Data was reviewed for reasonableness.

I hereby certify that, to the best of my knowledge and belief:

- a. It complies with Actuarial Standards of Practice No. 8 "Regulatory Filings for Rates and Financial Projections for Health Plans";
- b. The premiums charged after the proposed rate increase is not unfairly discriminatory and the premiums after the proposed rate increase are not excessive. The proposed premium rate increase is not sufficient to prevent future rate actions by the company and benefits currently are not reasonable in relation to the premiums charged.
- c. Moderately adverse condition is defined as a 5% increase in the lifetime loss ratio for above the best estimates provided in the loss ratio Exhibits 4-7.
- d. I certify that no further rate schedule increases are anticipated if the requested premium rate schedule increase is implemented and the underlying assumptions, which reflect moderately adverse conditions, are realized.



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August 17, 2015

#### Exhibit 1 National Rate Increases Allianz Life Insurance of North America

|   | 2009 Rate Increase |              |  |  |  |  |
|---|--------------------|--------------|--|--|--|--|
| State                                     | Min Increase       | Max Increase |  |  |  |  |
| AK  | 0%                 | 25%          |  |  |  |  |
| AL  | 15%                | 25%          |  |  |  |  |
| AR  | 18%                | 25%          |  |  |  |  |
| CO, NH, WA, WY                            | 20%                | 25%          |  |  |  |  |
| IA  | 15%                | 25%          |  |  |  |  |
| ME, NC                                    | 22%                | 25%          |  |  |  |  |
| MS, MT, SD, TN, WV,<br>IN, HI, NE         | 23%                | 25%          |  |  |  |  |
| NJ  | 8%                 | 25%          |  |  |  |  |
| NV  | 10%                | 25%          |  |  |  |  |
| PA  | 21%                | 25%          |  |  |  |  |
| TX  | 16%                | 25%          |  |  |  |  |
| VA  | 8%                 | 25%          |  |  |  |  |
| WI  | 18%                | 25%          |  |  |  |  |
| ID, IL KY, MI MO, NM                      | 25%                | 25%          |  |  |  |  |
| DE  | 11%                | 20%          |  |  |  |  |
| LA  | 16%                | 20%          |  |  |  |  |
| OH  | 20%                | 20%          |  |  |  |  |
| SC  | 16%                | 20%          |  |  |  |  |
| AZ, KS                                    | 15%                | 15%          |  |  |  |  |
| MD  | 6%                 | 15%          |  |  |  |  |
| ND  | 12%                | 15%          |  |  |  |  |
| GA, OK                                    | 10%                | 10%          |  |  |  |  |
| OR  | 7%                 | 10%          |  |  |  |  |
| CA, CT, DC, FL, MA,<br>MN, RI, UT, VT, NY | 0%                 | 0%           |  |  |  |  |

|                                       | 2012 Rate Increase |                |
|---------------------------------------|--------------------|----------------|
| State                                 | Min Increase       | Max Increase   |
| IL.                                   | 25%                | 100%           |
| AZ                                    | 25%                | 75%            |
| TX                                    | 17%                | 75%            |
| AK, CO, MI, MS, MO,                   |                    |                |
| NH, NC, OK, OR, SD,                   |                    |                |
| TN, WA, WV, WY                        | 25%                | 25%            |
| AL                                    | 20%                | 25%            |
| HI                                    | 3%*                | 25%            |
|                                       |                    |                |
| KY                                    | 3%*                | 25%            |
| ME                                    | 24%                | 25%            |
| MT, WI                                | 10%                | 25%            |
| NJ                                    | 15%                | 25%            |
| OH                                    | 20%                | 25%            |
| NE                                    | 10%                | 20%            |
| PA, SC                                | 20%                | 20%            |
| DE, GA, MD, ND                        | 15%                | 15%            |
| IA                                    | 8%                 | 15%            |
| VA                                    | 14%                | 100% Pending   |
| ID, KS, NY                            | 10%                | 10%            |
| FL                                    | 7%                 | 7%             |
| CT, NM                                | 0%                 | 0%             |
| CA                                    | Filed, Pending     | Filed, Pending |
| MN                                    | Filed, Pending     | Filed, Pending |
| DC, IN, LA, MA, NV,<br>RI, UT, AR, VT |                    | Filed, Pending |

# Exhibit 2 National Policy From Series: 11-P-Q As of 12/31/2014 Count of Inforce Lives Insured

| State       | Lives  | Premium | l          |
|-------------|--------|---------|------------|
| AK          | 38     | \$      | 98,581     |
| AL          | 404    |         | 747,812    |
| AR          | 128    | \$      | 252,529    |
| AZ          | 417    | \$      | 884,802    |
| CO          | 609    |         | 1,397,854  |
| CT          | 141    | \$      | 444,009    |
| DC          | 29     |         | 73,097     |
| DE          | 36     |         | 91,142     |
| FL          | 583    |         | 1,470,734  |
| GA          | 687    |         | 1,443,410  |
| HI          | 26     |         | 62,862     |
| IA          | 452    |         | 939,335    |
| ID          | 143    |         | 280,199    |
| IL          | 848    |         | 1,933,974  |
| IN          | 49     |         | 108,726    |
| KS          | 413    |         | 788,669    |
| KY          | 184    |         | 381,622    |
| LA          | 211    | \$      | 382,662    |
| MA          | 50     |         | 174,597    |
| MD          | 351    |         | 816,554    |
| ME          | 78     |         | 266,783    |
| MI          | 467    |         | 1,030,156  |
| MN          | 1,689  |         | 3,547,592  |
| MO          | 721    |         | 1,378,810  |
| MS          | 114    |         | 194,282    |
| MT          | 134    |         | 293,920    |
| NC          | 399    |         | 843,438    |
| ND          | 141    | \$      | 280,405    |
| NE          | 431    | \$      | 978,211    |
| NH          | 88     |         | 275,838    |
| NJ          | 334    |         | 890,139    |
| NM          | 129    |         | 267,271    |
| NV          | 100    | \$      | 213,178    |
| OH          | 486    | \$      | 1,035,315  |
| OK          | 261    | \$      | 529,765    |
| OR          | 304    | \$      | 586,066    |
| PA          | 608    | \$      | 1,479,816  |
| RI          | 79     | \$      | 172,757    |
| SC          | 249    | \$      | 482,932    |
| SD          | 200    | \$      | 409,073    |
| TN          | 406    | \$      | 787,295    |
| TX          | 970    | \$      | 1,914,224  |
| UT          | 55     | \$      | 101,613    |
| VA          | 742    | \$      | 1,712,139  |
| VT          | 32     | \$      | 75,004     |
| WA          | 282    | \$      | 682,098    |
| WI          | 365    | \$      | 920,464    |
| WV          | 28     | \$      | 57,534     |
| WY          | 76     | \$      | 187,286    |
| Grand Total | 15,767 | \$      | 34,366,573 |

Exhibit 3

Table 1

Issue Age 57, 5 Year Benefit Period, 150 Initial Daily Benefit
5% Compound Switch to 5% Simple COLA
Past COLA Increases 100% Vested
Rate Increase Reduced From 80% to 50%
10<sup>th</sup> Policy Duration

| Attained |      |               |             | Expected Claim Cost |
|----------|------|---------------|-------------|---------------------|
| Age      | Year | Daily Benefit | Earned Prem | (5% Compound)       |
| 67       | 2015 | 244.33        | 4,534.92    | 359.58              |
| 68       | 2016 | 256.55        | 4,417.19    | 427.48              |
| 69       | 2017 | 269.38        | 4,299.05    | 518.10              |
| 70       | 2018 | 282.85        | 4,180.87    | 621.59              |
| 71       | 2019 | 296.99        | 4,062.59    | 865.47              |
| 72       | 2020 | 311.84        | 3,943.75    | 1,108.63            |
| 73       | 2021 | 327.43        | 3,823.56    | 1,303.86            |
| 74       | 2022 | 343.80        | 3,701.52    | 1,643.62            |
| 75       | 2023 | 360.99        | 3,577.45    | 1,814.61            |
| 76       | 2024 | 379.04        | 3,451.05    | 2,048.93            |
| 77       | 2025 | 397.99        | 3,321.97    | 2,287.90            |
| 78       | 2026 | 417.89        | 3,189.77    | 2,702.92            |
| 79       | 2027 | 438.79        | 3,054.40    | 3,455.11            |
| 80       | 2028 | 460.73        | 2,916.05    | 4,148.74            |
| 81       | 2029 | 483.76        | 2,774.73    | 5,100.62            |
| 82       | 2030 | 507.95        | 2,630.31    | 6,240.17            |
| 83       | 2031 | 533.35        | 2,482.66    | 7,015.19            |
| 84       | 2032 | 560.02        | 2,332.17    | 7,408.19            |
| 85       | 2033 | 588.02        | 2,179.58    | 8,417.90            |
| 86       | 2034 | 617.42        | 2,025.39    | 9,503.66            |
| 87       | 2035 | 648.29        | 1,869.99    | 10,650.21           |
| 88       | 2036 | 680.71        | 1,713.77    | 11,451.40           |
| 89       | 2037 | 714.74        | 1,557.40    | 12,198.12           |
| 90       | 2038 | 750.48        | 1,402.11    | 12,861.14           |
| 91       | 2039 | 788.00        | 1,249.44    | 13,410.85           |
| 92       | 2040 | 827.40        | 1,101.14    | 13,819.15           |
| 93       | 2041 | 868.77        | 958.99      | 14,060.51           |
| 94       | 2042 | 912.21        | 824.67      | 14,113.26           |
| 95       | 2043 | 957.82        | 699.61      | 13,962.30           |

|               |             | Expected Claim   |
|---------------|-------------|------------------|
| Daily Benefit | Earned Prem | Cost (5% Simple) |
| 244.33        | 2,941.20    | 342.06           |
| 251.83        | 2,864.84    | 399.17           |
| 259.33        | 2,788.22    | 474.48           |
| 266.83        | 2,711.58    | 557.83           |
| 274.33        | 2,634.86    | 760.49           |
| 281.83        | 2,557.78    | 953.13           |
| 289.33        | 2,479.84    | 1,096.01         |
| 296.83        | 2,400.69    | 1,349.92         |
| 304.33        | 2,320.22    | 1,455.26         |
| 311.83        | 2,238.24    | 1,603.49         |
| 319.33        | 2,154.52    | 1,746.26         |
| 326.83        | 2,068.78    | 2,010.93         |
| 334.33        | 1,980.98    | 2,504.32         |
| 341.83        | 1,891.26    | 2,928.13         |
| 349.33        | 1,799.60    | 3,503.75         |
| 356.83        | 1,705.93    | 4,170.06         |
| 364.33        | 1,610.17    | 4,558.58         |
| 371.83        | 1,512.57    | 4,679.10         |
| 379.33        | 1,413.60    | 5,110.11         |
| 386.83        | 1,313.60    | 5,542.73         |
| 394.33        | 1,212.82    | 5,965.33         |
| 401.83        | 1,111.50    | 6,352.76         |
| 409.33        | 1,010.08    | 6,583.46         |
| 416.83        | 909.36      | 6,631.27         |
| 424.33        | 810.35      | 6,544.23         |
| 431.83        | 714.16      | 6,322.18         |
| 439.33        | 621.97      | 5,973.59         |
| 446.83        | 534.86      | 5,514.99         |
| 454.33        | 453.74      | 4,970.01         |

| \$52,169.84 | \$81,118.72 |
|-------------|-------------|
| Future LR   | 155.5%      |

| \$22 925 64 | \$47,058.39 |
|-------------|-------------|
| \$33,835.64 |             |
| Future LR   | 139.1%      |

# Exhibit 3 Table 2

Issue Age 65, 5 Year Benefit Period, 150 Initial Daily Benefit
5% Compound Switch to 5% Simple COLA
Past COLA Increases 100% Vested
Rate Increase Reduced From 80% to 50%
10<sup>th</sup> Policy Duration

| Attained |      |      |               |             | Expected Claim Cost |
|----------|------|------|---------------|-------------|---------------------|
| Age      | Year |      | Daily Benefit | Earned Prem | (5% Compound)       |
|          | 75   | 2015 | 244.33        | 7,437.96    | 1,556.92            |
|          | 76   | 2016 | 256.55        | 7,175.17    | 1,757.96            |
|          | 77   | 2017 | 269.38        | 6,906.78    | 1,962.99            |
|          | 78   | 2018 | 282.85        | 6,631.92    | 2,319.08            |
|          | 79   | 2019 | 296.99        | 6,350.48    | 2,964.45            |
|          | 80   | 2020 | 311.84        | 6,062.83    | 3,559.58            |
|          | 81   | 2021 | 327.43        | 5,769.00    | 4,376.28            |
|          | 82   | 2022 | 343.80        | 5,468.74    | 5,354.00            |
|          | 83   | 2023 | 360.99        | 5,161.76    | 6,018.96            |
|          | 84   | 2024 | 379.04        | 4,848.87    | 6,356.15            |
|          | 85   | 2025 | 397.99        | 4,531.61    | 7,222.46            |
|          | 86   | 2026 | 417.89        | 4,211.03    | 8,154.03            |
|          | 87   | 2027 | 438.79        | 3,887.95    | 9,137.77            |
|          | 88   | 2028 | 460.73        | 3,563.14    | 9,825.18            |
|          | 89   | 2029 | 483.76        | 3,238.03    | 10,465.85           |
|          | 90   | 2030 | 507.95        | 2,915.17    | 11,034.71           |
|          | 91   | 2031 | 533.35        | 2,597.75    | 11,506.36           |
|          | 92   | 2032 | 560.02        | 2,289.40    | 11,856.68           |
|          | 93   | 2033 | 588.02        | 1,993.86    | 12,063.76           |
|          | 94   | 2034 | 617.42        | 1,714.60    | 12,109.02           |
|          | 95   | 2035 | 648.29        | 1,454.57    | 11,979.50           |

|               |             | Expected Claim Cost |
|---------------|-------------|---------------------|
| Daily Benefit | Earned Prem | (5% Simple)         |
| 244.33        | 5,207.85    | 1,481.05            |
| 251.83        | 5,023.85    | 1,641.55            |
| 259.33        | 4,835.93    | 1,797.71            |
| 266.83        | 4,643.48    | 2,081.17            |
| 274.33        | 4,446.42    | 2,604.87            |
| 281.83        | 4,245.03    | 3,060.30            |
| 289.33        | 4,039.29    | 3,678.64            |
| 296.83        | 3,829.06    | 4,397.30            |
| 304.33        | 3,614.12    | 4,827.00            |
| 311.83        | 3,395.04    | 4,974.31            |
| 319.33        | 3,172.90    | 5,453.18            |
| 326.83        | 2,948.45    | 5,936.39            |
| 334.33        | 2,722.23    | 6,411.31            |
| 341.83        | 2,494.81    | 6,850.58            |
| 349.33        | 2,267.18    | 7,122.18            |
| 356.83        | 2,041.12    | 7,196.07            |
| 364.33        | 1,818.87    | 7,122.73            |
| 371.83        | 1,602.97    | 6,900.73            |
| 379.33        | 1,396.04    | 6,538.21            |
| 386.83        | 1,200.51    | 6,052.29            |
| 394.33        | 1,018.45    | 5,468.17            |

| \$69,040.02      | \$88,778.45   |
|------------------|---------------|
| <b>Future LR</b> | <b>128.6%</b> |
| ruture LK        | 120.070       |

| \$48,339.88 | \$61,820.44 |
|-------------|-------------|
| Future LR   | 127.9%      |

# Exhibit 3 Table 3

Issue Age 57, Lifetime Benefit Period, 150 Initial Daily Benefit 5% Compound Switch to 5% Simple COLA
Past COLA Increases 100% Vested
Rate Increase Reduced From 80% to 50%
10<sup>th</sup> Policy Duration

| Attained |      |               |             | Expected Claim Cost |
|----------|------|---------------|-------------|---------------------|
| Age      | Year | Daily Benefit | Earned Prem | (5% Compound)       |
| 67       | 2015 | 244.33        | 6,205.68    | 721.58              |
| 68       | 2016 | 256.55        | 6,016.57    | 853.28              |
| 69       | 2017 | 269.38        | 5,824.53    | 1,027.76            |
| 70       | 2018 | 282.85        | 5,629.30    | 1,224.12            |
| 71       | 2019 | 296.99        | 5,430.41    | 1,690.08            |
| 72       | 2020 | 311.84        | 5,227.28    | 2,144.11            |
| 73       | 2021 | 327.43        | 5,019.26    | 2,494.28            |
| 74       | 2022 | 343.80        | 4,806.25    | 3,105.94            |
| 75       | 2023 | 360.99        | 4,588.55    | 3,382.38            |
| 76       | 2024 | 379.04        | 4,366.17    | 3,761.05            |
| 77       | 2025 | 397.99        | 4,138.93    | 4,128.24            |
| 78       | 2026 | 417.89        | 3,906.59    | 4,784.50            |
| 79       | 2027 | 438.79        | 3,669.78    | 5,986.98            |
| 80       | 2028 | 460.73        | 3,429.67    | 7,020.60            |
| 81       | 2029 | 483.76        | 3,187.05    | 8,406.70            |
| 82       | 2030 | 507.95        | 2,942.53    | 9,986.23            |
| 83       | 2031 | 533.35        | 2,696.70    | 10,860.51           |
| 84       | 2032 | 560.02        | 2,450.65    | 11,048.23           |
| 85       | 2033 | 588.02        | 2,206.29    | 11,908.98           |
| 86       | 2034 | 617.42        | 1,966.06    | 12,695.42           |
| 87       | 2035 | 648.29        | 1,732.69    | 13,374.19           |
| 88       | 2036 | 680.71        | 1,509.02    | 13,887.43           |
| 89       | 2037 | 714.74        | 1,297.66    | 13,978.60           |
| 90       | 2038 | 750.48        | 1,100.87    | 13,622.39           |
| 91       | 2039 | 788.00        | 920.48      | 13,866.27           |
| 92       | 2040 | 827.40        | 811.22      | 13,821.29           |
| 93       | 2041 | 868.77        | 706.50      | 13,478.10           |
| 94       | 2042 | 912.21        | 607.54      | 12,846.23           |
| 95       | 2043 | 957.82        | 515.41      | 11,954.96           |

|               |             | 1                |
|---------------|-------------|------------------|
|               |             |                  |
|               |             | Expected Claim   |
| Daily Benefit | Earned Prem | Cost (5% Simple) |
| 244.33        | 4,024.80    | 718.50           |
| 251.83        | 3,902.15    | 834.01           |
| 259.33        | 3,777.60    | 985.22           |
| 266.83        | 3,650.98    | 1,149.89         |
| 274.33        | 3,521.98    | 1,554.49         |
| 281.83        | 3,390.24    | 1,929.53         |
| 289.33        | 3,255.32    | 2,194.65         |
| 296.83        | 3,117.18    | 2,670.17         |
| 304.33        | 2,975.99    | 2,839.33         |
| 311.83        | 2,831.75    | 3,080.96         |
| 319.33        | 2,684.37    | 3,298.19         |
| 326.83        | 2,533.69    | 3,725.97         |
| 334.33        | 2,380.10    | 4,542.29         |
| 341.83        | 2,224.37    | 5,186.64         |
| 349.33        | 2,067.01    | 6,044.69         |
| 356.83        | 1,908.43    | 6,985.31         |
| 364.33        | 1,748.99    | 7,387.18         |
| 371.83        | 1,589.41    | 7,304.35         |
| 379.33        | 1,430.93    | 7,649.74         |
| 386.83        | 1,275.12    | 7,920.14         |
| 394.33        | 1,123.77    | 8,100.35         |
| 401.83        | 978.70      | 8,163.02         |
| 409.33        | 841.62      | 7,971.40         |
| 416.83        | 713.99      | 7,533.91         |
| 424.33        | 596.99      | 7,435.02         |
| 431.83        | 526.13      | 7,182.75         |
| 439.33        | 458.21      | 6,786.71         |
| 446.83        | 394.03      | 6,265.69         |
| 454.33        | 334.28      | 5,646.52         |

| \$64,410.07 | \$107,097.06 |
|-------------|--------------|
| Future LR   | 166.3%       |

| \$41,774.25 | \$70,546.71 |
|-------------|-------------|
| Future LR   | 168.9%      |

# Exhibit 3 Table 4

Issue Age 65, Lifetime Benefit Period, 150 Initial Daily Benefit
5% Compound Switch to 5% Simple COLA
Past COLA Increases 100% Vested
Rate Increase Reduced From 80% to 50%
10<sup>th</sup> Policy Duration

| Attained |      |               |             | Expected Claim Cost |
|----------|------|---------------|-------------|---------------------|
| Age      | Year | Daily Benefit | Earned Prem | (5% Compound)       |
| 75       | 2015 | 244.33        | 10,318.86   | 3,138.88            |
| 76       | 2016 | 256.55        | 9,954.28    | 3,544.19            |
| 77       | 2017 | 269.38        | 9,581.94    | 3,957.56            |
| 78       | 2018 | 282.85        | 9,200.62    | 4,675.45            |
| 79       | 2019 | 296.99        | 8,810.17    | 5,976.57            |
| 80       | 2020 | 311.84        | 8,411.12    | 7,176.41            |
| 81       | 2021 | 327.43        | 8,003.47    | 8,822.94            |
| 82       | 2022 | 343.80        | 7,586.92    | 10,794.11           |
| 83       | 2023 | 360.99        | 7,161.03    | 12,134.73           |
| 84       | 2024 | 379.04        | 6,726.95    | 12,814.53           |
| 85       | 2025 | 397.99        | 6,286.81    | 14,404.12           |
| 86       | 2026 | 417.89        | 5,842.06    | 16,086.69           |
| 87       | 2027 | 438.79        | 5,393.85    | 17,833.10           |
| 88       | 2028 | 460.73        | 4,943.23    | 19,568.70           |
| 89       | 2029 | 483.76        | 4,492.20    | 20,903.15           |
| 90       | 2030 | 507.95        | 4,044.28    | 21,709.92           |
| 91       | 2031 | 533.35        | 3,603.92    | 22,098.60           |
| 92       | 2032 | 560.02        | 3,176.14    | 22,026.90           |
| 93       | 2033 | 588.02        | 2,766.13    | 21,479.97           |
| 94       | 2034 | 617.42        | 2,378.70    | 20,472.97           |
| 95       | 2035 | 648.29        | 2,017.97    | 19,052.55           |

|                      |               | Expected Claim  |
|----------------------|---------------|-----------------|
| <b>Daily Benefit</b> | Earned Prem C | ost (5% Simple) |
| 244.33               | 7,224.98      | 3,125.48        |
| 251.83               | 6,969.71      | 3,464.18        |
| 259.33               | 6,709.00      | 3,793.73        |
| 266.83               | 6,442.01      | 4,391.92        |
| 274.33               | 6,168.63      | 5,497.09        |
| 281.83               | 5,889.23      | 6,458.20        |
| 289.33               | 5,603.80      | 7,763.09        |
| 296.83               | 5,312.15      | 9,279.69        |
| 304.33               | 5,013.95      | 10,186.47       |
| 311.83               | 4,710.02      | 10,497.36       |
| 319.33               | 4,401.84      | 11,507.92       |
| 326.83               | 4,090.45      | 12,527.64       |
| 334.33               | 3,776.62      | 13,529.87       |
| 341.83               | 3,461.11      | 14,456.87       |
| 349.33               | 3,145.31      | 15,030.04       |
| 356.83               | 2,831.69      | 15,185.97       |
| 364.33               | 2,523.36      | 15,031.19       |
| 371.83               | 2,223.84      | 14,562.71       |
| 379.33               | 1,936.77      | 13,797.67       |
| 386.83               | 1,665.50      | 12,772.22       |
| 394.33               | 1,412.92      | 11,539.56       |

| \$95,780.87 | \$170,898.82 |
|-------------|--------------|
| Future LR   | 178.4%       |

| \$67,063.07 | \$130,460.51 |
|-------------|--------------|
| Future LR   | 194.5%       |

Issue Age 57, 5 Year Benefit Period, 150 Initial Daily Benefit 5% Compound Switch to No COLA
Past COLA Increases 100% Vested
Rate Increase Reduced From 80% to 0%
10<sup>th</sup> Policy Duration

|                  | Daily    | Farned   | Expected Claim Cost |
|------------------|----------|----------|---------------------|
| Attained Age Yea | 1        | Prem     | (5% Compound)       |
| 67 201           |          | 4,534.92 | 359.58              |
| 68 201           |          | 4,417.19 | 427.48              |
| 69 201           |          | 4,299.05 | 518.10              |
| 70 201           |          | 4,180.87 | 621.59              |
| 71 201           |          | 4,062.59 | 865.47              |
| 72 202           |          | 3,943.75 | 1,108.63            |
| 73 202           | 1 327.43 | 3,823.56 | 1,303.86            |
| 74 202           | 2 343.80 | 3,701.52 | 1,643.62            |
| 75 202           | 360.99   | 3,577.45 | 1,814.61            |
| 76 202           | 4 379.04 | 3,451.05 | 2,048.93            |
| 77 202           | 5 397.99 | 3,321.97 | 2,287.90            |
| 78 202           | 417.89   | 3,189.77 | 2,702.92            |
| 79 202           | 7 438.79 | 3,054.40 | 3,455.11            |
| 80 202           | 8 460.73 | 2,916.05 | 4,148.74            |
| 81 202           | 9 483.76 | 2,774.73 | 5,100.62            |
| 82 203           | 507.95   | 2,630.31 | 6,240.17            |
| 83 203           | 1 533.35 | 2,482.66 | 7,015.19            |
| 84 203           | 2 560.02 | 2,332.17 | 7,408.19            |
| 85 203           | 3 588.02 | 2,179.58 | 8,417.90            |
| 86 203           | 4 617.42 | 2,025.39 | 9,503.66            |
| 87 203           | 5 648.29 | 1,869.99 | 10,650.21           |
| 88 203           | 680.71   | 1,713.77 | 11,451.40           |
| 89 203           | 714.74   | 1,557.40 | 12,198.12           |
| 90 203           |          | 1,402.11 | 12,861.14           |
| 91 203           |          | 1,249.44 | 13,410.85           |
| 92 204           |          | 1,101.14 | 13,819.15           |
| 93 204           |          | 958.99   | 14,060.51           |
| 94 204           |          | 824.67   | 14,113.26           |
| 95 204           | 3 957.82 | 699.61   | 13,962.30           |

| Daily   |             | Expected Claim |
|---------|-------------|----------------|
| Benefit | Earned Prem | Cost (No COLA) |
| 244.33  | 1,140.00    | 321.86         |
| 244.33  | 1,110.41    | 364.41         |
| 244.33  | 1,080.71    | 420.64         |
| 244.33  | 1,051.00    | 480.63         |
| 244.33  | 1,021.26    | 637.33         |
| 244.33  | 991.39      | 777.52         |
| 244.33  | 961.18      | 870.89         |
| 244.33  | 930.50      | 1,045.55       |
| 244.33  | 899.31      | 1,099.36       |
| 244.33  | 867.53      | 1,182.21       |
| 244.33  | 835.08      | 1,257.23       |
| 244.33  | 801.85      | 1,414.56       |
| 244.33  | 767.82      | 1,722.11       |
| 244.33  | 733.04      | 1,969.36       |
| 244.33  | 697.52      | 2,305.91       |
| 244.33  | 661.21      | 2,686.75       |
| 244.33  | 624.10      | 2,876.61       |
| 244.33  | 586.27      | 2,893.11       |
| 244.33  | 547.91      | 3,097.13       |
| 244.33  | 509.15      | 3,294.20       |
| 244.33  | 470.08      | 3,477.93       |
| 244.33  | 430.81      | 3,634.68       |
| 244.33  | 391.50      | 3,697.66       |
| 244.33  | 352.47      | 3,657.50       |
| 244.33  | 314.09      | 3,545.69       |
| 244.33  | 276.81      | 3,365.89       |
| 244.33  | 241.07      | 3,126.02       |
| 244.33  | 207.31      | 2,837.59       |
| 244.33  | 175.87      | 2,514.97       |

| \$52,169.84 | \$81,118.72 |
|-------------|-------------|
| Future LR   | 155.5%      |

| \$13,114.59 | \$29,399.23 |
|-------------|-------------|
| Future LR   | 224.2%      |

Issue Age 65, 5 Year Benefit Period, 150 Initial Daily Benefit 5% Compound Switch to No COLA
Past COLA Increases 100% Vested
Rate Increase Reduced From 80% to 0%
10<sup>th</sup> Policy Duration

| Attained |         |                      |                    | <b>Expected Claim Cost</b> |
|----------|---------|----------------------|--------------------|----------------------------|
| Age      | Year    | <b>Daily Benefit</b> | <b>Earned Prem</b> | (5% Compound)              |
|          | 75 2015 | 244.33               | 7,437.96           | 1,556.92                   |
|          | 76 2016 | 256.55               | 7,175.17           | 1,757.96                   |
|          | 77 2017 | 269.38               | 6,906.78           | 1,962.99                   |
|          | 78 2018 | 282.85               | 6,631.92           | 2,319.08                   |
|          | 79 2019 | 296.99               | 6,350.48           | 2,964.45                   |
|          | 80 2020 | 311.84               | 6,062.83           | 3,559.58                   |
|          | 81 2021 | 327.43               | 5,769.00           | 4,376.28                   |
|          | 82 2022 | 343.80               | 5,468.74           | 5,354.00                   |
|          | 83 2023 | 360.99               | 5,161.76           | 6,018.96                   |
|          | 84 2024 | 379.04               | 4,848.87           | 6,356.15                   |
|          | 85 2025 | 397.99               | 4,531.61           | 7,222.46                   |
|          | 86 2026 | 417.89               | 4,211.03           | 8,154.03                   |
|          | 87 2027 | 438.79               | 3,887.95           | 9,137.77                   |
|          | 88 2028 | 460.73               | 3,563.14           | 9,825.18                   |
|          | 89 2029 | 483.76               | 3,238.03           | 10,465.85                  |
|          | 90 2030 | 507.95               | 2,915.17           | 11,034.71                  |
|          | 91 2031 | 533.35               | 2,597.75           | 11,506.36                  |
|          | 92 2032 | 560.02               | 2,289.40           | 11,856.68                  |
|          | 93 2033 | 588.02               | 1,993.86           | 12,063.76                  |
|          | 94 2034 | 617.42               | 1,714.60           | 12,109.02                  |
|          | 95 2035 | 648.29               | 1,454.57           | 11,979.50                  |

|               |             | Expected Claim Cost |
|---------------|-------------|---------------------|
| Daily Benefit | Earned Prem | (No COLA)           |
| 244.33        | 2,130.00    | 1,481.05            |
| 244.33        | 2,054.74    | 1,592.66            |
| 244.33        | 1,977.89    | 1,693.73            |
| 244.33        | 1,899.17    | 1,905.68            |
| 244.33        | 1,818.58    | 2,320.01            |
| 244.33        | 1,736.21    | 2,653.11            |
| 244.33        | 1,652.06    | 3,106.51            |
| 244.33        | 1,566.08    | 3,619.57            |
| 244.33        | 1,478.17    | 3,875.35            |
| 244.33        | 1,388.56    | 3,897.57            |
| 244.33        | 1,297.71    | 4,172.42            |
| 244.33        | 1,205.91    | 4,437.92            |
| 244.33        | 1,113.39    | 4,685.44            |
| 244.33        | 1,020.37    | 4,896.61            |
| 244.33        | 927.27      | 4,981.46            |
| 244.33        | 834.81      | 4,927.35            |
| 244.33        | 743.91      | 4,776.73            |
| 244.33        | 655.61      | 4,534.51            |
| 244.33        | 570.98      | 4,211.35            |
| 244.33        | 491.01      | 3,822.78            |
| 244.33        | 416.54      | 3,388.14            |

| \$69,040.02 | \$88,778.45 |
|-------------|-------------|
| Future LR   | 128.6%      |

| Future LR   | 236.9%      |
|-------------|-------------|
| \$19,770.91 | \$46,837.89 |

Issue Age 57, Lifetime Benefit Period, 150 Initial Daily Benefit
5% Compound Switch to No COLA
Past COLA Increases 100% Vested
Rate Increase Reduced From 80% to 0%
10<sup>th</sup> Policy Duration

|              | ſ    |               |                    | <b>Expected Claim Cost</b> |
|--------------|------|---------------|--------------------|----------------------------|
| Attained Age | Year | Daily Benefit | <b>Earned Prem</b> | (5% Compound)              |
| 67           | 2015 | 244.33        | 6,205.68           | 721.58                     |
| 68           | 2016 | 256.55        | 6,016.57           | 853.28                     |
| 69           | 2017 | 269.38        | 5,824.53           | 1,027.76                   |
| 70           | 2018 | 282.85        | 5,629.30           | 1,224.12                   |
| 71           | 2019 | 296.99        | 5,430.41           | 1,690.08                   |
| 72           | 2020 | 311.84        | 5,227.28           | 2,144.11                   |
| 73           | 2021 | 327.43        | 5,019.26           | 2,494.28                   |
| 74           | 2022 | 343.80        | 4,806.25           | 3,105.94                   |
| 75           | 2023 | 360.99        | 4,588.55           | 3,382.38                   |
| 76           | 2024 | 379.04        | 4,366.17           | 3,761.05                   |
| 77           | 2025 | 397.99        | 4,138.93           | 4,128.24                   |
| 78           | 2026 | 417.89        | 3,906.59           | 4,784.50                   |
| 79           | 2027 | 438.79        | 3,669.78           | 5,986.98                   |
| 80           | 2028 | 460.73        | 3,429.67           | 7,020.60                   |
| 81           | 2029 | 483.76        | 3,187.05           | 8,406.70                   |
| 82           | 2030 | 507.95        | 2,942.53           | 9,986.23                   |
| 83           | 2031 | 533.35        | 2,696.70           | 10,860.51                  |
| 84           | 2032 | 560.02        | 2,450.65           | 11,048.23                  |
| 85           | 2033 | 588.02        | 2,206.29           | 11,908.98                  |
| 86           | 2034 | 617.42        | 1,966.06           | 12,695.42                  |
| 87           | 2035 | 648.29        | 1,732.69           | 13,374.19                  |
| 88           | 2036 | 680.71        | 1,509.02           | 13,887.43                  |
| 89           | 2037 | 714.74        | 1,297.66           | 13,978.60                  |
| 90           | 2038 | 750.48        | 1,100.87           | 13,622.39                  |
| 91           | 2039 | 788.00        | 920.48             | 13,866.27                  |
| 92           | 2040 | 827.40        | 811.22             | 13,821.29                  |
| 93           | 2041 | 868.77        | 706.50             | 13,478.10                  |
| 94           | 2042 | 912.21        | 607.54             | 12,846.23                  |
| 95           | 2043 | 957.82        | 515.41             | 11,954.96                  |

|               |             | Expected Claim Cost |
|---------------|-------------|---------------------|
| Daily Benefit | Earned Prem | (No COLA)           |
| 244.33        | 1,560.00    | 666.44              |
| 244.33        | 1,512.46    | 750.54              |
| 244.33        | 1,464.19    | 860.97              |
| 244.33        | 1,415.11    | 976.63              |
| 244.33        | 1,365.11    | 1,284.18            |
| 244.33        | 1,314.05    | 1,551.58            |
| 244.33        | 1,261.75    | 1,719.03            |
| 244.33        | 1,208.21    | 2,038.65            |
| 244.33        | 1,153.48    | 2,114.37            |
| 244.33        | 1,097.58    | 2,239.13            |
| 244.33        | 1,040.45    | 2,340.70            |
| 244.33        | 982.05      | 2,583.62            |
| 244.33        | 922.52      | 3,079.01            |
| 244.33        | 862.16      | 3,438.65            |
| 244.33        | 801.17      | 3,921.48            |
| 244.33        | 739.70      | 4,436.46            |
| 244.33        | 677.90      | 4,595.11            |
| 244.33        | 616.05      | 4,451.94            |
| 244.33        | 554.62      | 4,570.27            |
| 244.33        | 494.23      | 4,640.07            |
| 244.33        | 435.57      | 4,655.39            |
| 244.33        | 379.34      | 4,603.85            |
| 244.33        | 326.21      | 4,413.40            |
| 244.33        | 276.74      | 4,096.13            |
| 244.33        | 231.39      | 3,970.92            |
| 244.33        | 203.93      | 3,769.56            |
| 244.33        | 177.60      | 3,500.91            |
| 244.33        | 152.73      | 3,177.89            |
| 244.33        | 129.56      | 2,816.58            |

| \$64,410.07 | \$107,097.06 |
|-------------|--------------|
| Future LR   | 166.3%       |

| \$16,191.57 | \$44,770.04 |
|-------------|-------------|
| Future LR   | 276.5%      |

Issue Age 65, Lifetime Benefit Period, 150 Initial Daily Benefit
5% Compound Switch to No COLA
Past COLA Increases 100% Vested
Rate Increase Reduced From 80% to 0%
10<sup>th</sup> Policy Duration

| Attained |      |               |             | Expected Claim Cost |
|----------|------|---------------|-------------|---------------------|
| Age      | Year | Daily Benefit | Earned Prem | (5% Compound)       |
| 75       | 2015 | 244.33        | 10.318.86   | 3,138.88            |
| 76       | 2016 | 256.55        | 9.954.28    | 3,544.19            |
| 77       | 2017 | 269.38        | 9,581.94    | 3,957.56            |
| 78       | 2018 | 282.85        | 9,200.62    | 4,675.45            |
| 79       | 2019 | 296.99        | 8,810.17    | 5,976.57            |
| 80       | 2020 | 311.84        | 8,411.12    | 7,176.41            |
| 81       | 2021 | 327.43        | 8,003.47    | 8,822.94            |
| 82       | 2022 | 343.80        | 7,586.92    | 10,794.11           |
| 83       | 2023 | 360.99        | 7,161.03    | 12,134.73           |
| 84       | 2024 | 379.04        | 6,726.95    | 12,814.53           |
| 85       | 2025 | 397.99        | 6,286.81    | 14,404.12           |
| 86       | 2026 | 417.89        | 5,842.06    | 16,086.69           |
| 87       | 2027 | 438.79        | 5,393.85    | 17,833.10           |
| 88       | 2028 | 460.73        | 4,943.23    | 19,568.70           |
| 89       | 2029 | 483.76        | 4,492.20    | 20,903.15           |
| 90       | 2030 | 507.95        | 4,044.28    | 21,709.92           |
| 91       | 2031 | 533.35        | 3,603.92    | 22,098.60           |
| 92       | 2032 | 560.02        | 3,176.14    | 22,026.90           |
| 93       | 2033 | 588.02        | 2,766.13    | 21,479.97           |
| 94       | 2034 | 617.42        | 2,378.70    | 20,472.97           |
| 95       | 2035 | 648.29        | 2,017.97    | 19,052.55           |

|               |             | Expected Claim |
|---------------|-------------|----------------|
| Daily Benefit | Earned Prem | Cost (No COLA) |
| 232.70        | 2,955.00    | 2,760.96       |
| 232.70        | 2,850.60    | 2,969.02       |
| 232.70        | 2,743.97    | 3,157.43       |
| 232.70        | 2,634.77    | 3,552.56       |
| 232.70        | 2,522.96    | 4,324.94       |
| 232.70        | 2,408.68    | 4,945.90       |
| 232.70        | 2,291.94    | 5,791.12       |
| 232.70        | 2,172.66    | 6,747.56       |
| 232.70        | 2,050.70    | 7,224.38       |
| 232.70        | 1,926.39    | 7,265.81       |
| 232.70        | 1,800.35    | 7,778.20       |
| 232.70        | 1,672.99    | 8,273.12       |
| 232.70        | 1,544.63    | 8,734.55       |
| 232.70        | 1,415.59    | 9,128.23       |
| 232.70        | 1,286.43    | 9,286.39       |
| 232.70        | 1,158.16    | 9,185.52       |
| 232.70        | 1,032.05    | 8,904.74       |
| 232.70        | 909.55      | 8,453.19       |
| 232.70        | 792.13      | 7,850.76       |
| 232.70        | 681.19      | 7,126.39       |
| 232.70        | 577.88      | 6,316.15       |

| \$95,780.87 | \$170,898.82 |
|-------------|--------------|
| Future LR   | 178.4%       |

| \$27,428.66 | \$87,314.77 |
|-------------|-------------|
| Future LR   | 318.3%      |

### Allianz Life Insurance Company of North America National

Policy Form Series : 11-P-Q
As of 12/31/2014
No Rate Increase, Best Estimate & Pricing Interest Rate

| Year                        | Earned Premium*              | Incurred Claims*             | Loss Ratio           | Expected Earned Premium      | Expected Incurred Claims | Expected Loss<br>Ratio | Actual to Expected |
|-----------------------------|------------------------------|------------------------------|----------------------|------------------------------|--------------------------|------------------------|--------------------|
| 2006                        | A1 720 070                   | #0                           | 0.00/                | 61 717 600                   | 625.052                  | 1.50/                  | 0.00/              |
| 2006                        | \$1,720,870                  | \$0                          | 0.0%                 | \$1,715,600                  | \$25,052                 | 1.5%                   | 0.0%               |
| 2007                        | \$11,618,948                 | \$226,659                    | 2.0%                 | \$11,557,720                 | \$185,187                | 1.6%                   | 121.7%             |
| 2008                        | \$25,153,341                 | \$130,729<br>\$635,708       | 0.5%                 | \$25,240,319<br>\$35,083,010 | \$496,974<br>\$805,041   | 2.0%                   | 26.4%              |
| 2009                        | \$34,229,481                 | \$635,798                    | 1.9%                 |                              | \$895,941<br>\$1,225,471 | 2.6%                   | 72.7%              |
| 2010<br>2011                | \$37,743,853                 | \$688,811<br>\$1,564,630     | 1.8%<br>4.3%         | \$38,818,553                 | \$1,335,471              | 3.4%                   | 53.0%              |
|                             | \$36,614,035                 | \$1,564,630                  |                      | \$37,276,894                 | \$1,781,930              | 4.8%                   | 89.4%              |
| 2012                        | \$35,819,346                 | \$3,303,696                  | 9.2%                 | \$35,994,373                 | \$2,292,677              | 6.4%                   | 144.8%             |
| 2013                        | \$35,211,460                 | \$3,499,104                  | 9.9%                 | \$34,857,171                 | \$2,877,789              | 8.3%                   | 120.4%<br>79.2%    |
| 2014                        | \$34,506,297                 | \$2,856,344                  | 8.3%                 | \$33,774,913                 | \$3,529,241              | 10.4%                  | 19.2%              |
| 2015<br>2016                | \$34,064,276<br>\$33,044,033 | \$5,401,682                  | 15.86%<br>18.97%     |                              |                          |                        |                    |
| 2017                        | \$31,356,707                 | \$6,269,658<br>\$7,305,973   | 23.30%               |                              |                          |                        |                    |
| 2017                        | \$29,790,219                 | \$8,512,870                  |                      |                              |                          |                        |                    |
| 2019                        | \$28,371,874                 | \$9,875,627                  | 28.58%<br>34.81%     |                              |                          |                        |                    |
| 2020                        | \$27,188,163                 | \$11,412,162                 | 41.97%               |                              |                          |                        |                    |
| 2021                        | \$26,236,136                 | \$13,132,743                 | 50.06%               |                              |                          |                        |                    |
| 2022                        | \$25,236,582                 | \$15,064,503                 | 59.69%               |                              |                          |                        |                    |
| 2023                        | \$24,231,230                 | \$17,190,812                 | 70.94%               |                              |                          |                        |                    |
| 2024                        | \$23,188,391                 | \$19,504,262                 | 84.11%               |                              |                          |                        |                    |
| 2025                        | \$22,123,369                 | \$22,012,111                 | 99.50%               |                              |                          |                        |                    |
| 2026                        | \$21,026,840                 | \$24,676,031                 | 117.35%              |                              |                          |                        |                    |
| 2027                        | \$19,914,553                 | \$27,489,258                 | 138.04%              |                              |                          |                        |                    |
| 2028                        | \$18,782,911                 | \$30,374,832                 | 161.72%              |                              |                          |                        |                    |
| 2029                        |                              |                              |                      |                              |                          |                        |                    |
| 2029                        | \$17,642,669<br>\$16,500,571 | \$33,343,586                 | 188.99%<br>219.94%   |                              |                          |                        |                    |
| 2030                        | \$15,384,743                 | \$36,291,509<br>\$39,154,072 | 254.50%              |                              |                          |                        |                    |
| 2032                        |                              |                              |                      |                              |                          |                        |                    |
| 2032                        | \$14,285,343<br>\$13,208,662 | \$41,862,660<br>\$44,321,718 | 293.05%<br>335.55%   |                              |                          |                        |                    |
| 2034                        | \$13,208,002                 | \$46,481,505                 | 382.25%              |                              |                          |                        |                    |
| 2035                        |                              |                              |                      |                              |                          |                        |                    |
| 2036                        | \$11,146,287<br>\$10,162,976 | \$48,267,271                 | 433.03%              |                              |                          |                        |                    |
| 2037                        | \$9,218,796                  | \$49,772,300<br>\$51,497,672 | 489.74%<br>558.62%   |                              |                          |                        |                    |
| 2037                        |                              |                              |                      |                              |                          |                        |                    |
|                             | \$8,317,502                  | \$53,663,509<br>\$56,122,138 | 645.19%              |                              |                          |                        |                    |
| 2039<br>2040                | \$7,464,837<br>\$6,660,913   | \$56,122,138<br>\$58,440,634 | 751.82%<br>877.50%   |                              |                          |                        |                    |
| 2040                        |                              | \$58,449,634                 |                      |                              |                          |                        |                    |
| 2041                        | \$5,907,810<br>\$5,206,163   | \$60,246,175<br>\$61,442,367 | 1019.77%             |                              |                          |                        |                    |
| 2043                        | \$5,206,163<br>\$4,561,540   | \$61,443,367<br>\$61,975,306 | 1180.20%<br>1358.65% |                              |                          |                        |                    |
| 2044                        | \$3,970,784                  |                              |                      |                              |                          |                        |                    |
| 2045                        | \$3,434,674                  | \$61,839,232<br>\$61,049,506 | 1557.36%<br>1777.45% |                              |                          |                        |                    |
| 2046                        | \$2,952,136                  | \$59,643,424                 | 2020.35%             |                              |                          |                        |                    |
| 2047                        | \$2,521,061                  | \$57,646,546                 | 2286.60%             |                              |                          |                        |                    |
| 2048                        | \$2,139,173                  | \$55,125,386                 | 2576.95%             |                              |                          |                        |                    |
| 2049                        | \$1,803,631                  | \$52,162,059                 | 2892.06%             |                              |                          |                        |                    |
| 2050                        | \$1,511,232                  | \$48,862,933                 | 3233.32%             |                              |                          |                        |                    |
| 2051                        | \$1,258,508                  | \$45,334,295                 | 3602.23%             |                              |                          |                        |                    |
| 2052                        | \$1,041,859                  | \$41,671,271                 | 3999.70%             |                              |                          |                        |                    |
| 2053                        | \$857,529                    | \$37,951,152                 | 4425.64%             |                              |                          |                        |                    |
| 2054                        | \$701,938                    | \$34,266,457                 | 4881.69%             |                              |                          |                        |                    |
| 2055                        | \$571,558                    | \$30,698,666                 | 5371.05%             |                              |                          |                        |                    |
| 2056                        | \$463,102                    | \$27,301,516                 | 5895.36%             |                              |                          |                        |                    |
| 2057                        | \$373,480                    | \$24,110,241                 | 6455.56%             |                              |                          |                        |                    |
| 2058                        | \$299,879                    | \$21,154,131                 | 7054.22%             |                              |                          |                        |                    |
| 2059                        | \$239,818                    | \$18,460,387                 | 7697.67%             |                              |                          |                        |                    |
| 2060                        | \$190,985                    | \$16,018,170                 | 8387.14%             |                              |                          |                        |                    |
| 2061                        | \$151,562                    | \$13,832,526                 | 9126.65%             |                              |                          |                        |                    |
| 2062                        | \$119,850                    | \$11,900,533                 | 9929.52%             |                              |                          |                        |                    |
| 2063                        | \$94,422                     | \$10,199,566                 | 10802.11%            |                              |                          |                        |                    |
| 2064                        | \$74,142                     | \$8,709,362                  | 11746.87%            |                              |                          |                        |                    |
| 2065                        | \$58,032                     | \$7,411,157                  | 12770.81%            |                              |                          |                        |                    |
| 2066                        | \$45,266                     | \$6,285,182                  | 13885.00%            |                              |                          |                        |                    |
| 2067                        | \$35,189                     | \$5,311,116                  | 15093.11%            |                              |                          |                        |                    |
| 2068                        | \$27,228                     | \$4,478,643                  | 16448.67%            |                              |                          |                        |                    |
| 2069                        | \$21,031                     | \$3,770,454                  | 17928.08%            |                              |                          |                        |                    |
| 2070+                       | \$87,305                     | \$21,351,229                 | 24455.91%            |                              |                          |                        |                    |
| -5701                       | Ψ07,505                      | ,001,007                     |                      |                              |                          |                        |                    |
|                             |                              | Sumn                         | nary of Experience   |                              | Expected Incurred        | Expected Loss          | Actual to          |
|                             | Earned Premium*              | Incurred Claims*             | Loss Ratio           | Premium                      | Claims                   | Ratio                  | Expected           |
| Hisorical (YE2014)          | \$291,996,853                | \$14,146,438                 | 4.8%                 | \$254,318,553                | \$13,420,263             | 5.3%                   | 91.8%              |
| Projected Future (2015 +)   | \$368,498,554                | \$655,231,049                | 177.8%               | ,                            | ,                        |                        |                    |
| Total Lifetime Anticipated  | \$660,495,407                | \$669,377,487                | 101.3%               |                              |                          |                        |                    |
| *                           |                              |                              |                      |                              |                          |                        |                    |
| *Actuals for 2014 and prior |                              |                              |                      |                              |                          |                        |                    |

# Allianz Life Insurance Company of North America Virginia Only Policy Form Series : 11-P-Q-VA As of 12/31/2014 No Rate Increase, Best Estimate & Pricing Interest Rate

| <u>Year</u>                | Earned Premium*                              | Incurred Claims*                | Loss Ratio           |
|----------------------------|--|---------------------------------|----------------------|
| 2006                       | \$11,466                                     | \$0                             | 0.0%                 |
| 2007                       | \$543,553                                    | \$0                             | 0.0%                 |
| 2008                       | \$1,248,216                                  | \$0                             | 0.0%                 |
| 2009                       | \$1,687,135                                  | \$0                             | 0.0%                 |
| 2010                       | \$1,883,282                                  | \$52,266                        | 2.8%                 |
| 2011                       | \$1,824,924                                  | \$0                             | 0.0%                 |
| 2012                       | \$1,777,823                                  | \$0                             | 0.0%                 |
| 2013                       | \$1,744,916                                  | \$180,943<br>\$229,746          | 10.4%                |
| 2014<br>2015               | \$1,713,245<br>\$1,696,573                   | \$229,740<br>\$214,137          | 13.4%<br>12.62%      |
| 2016                       | \$1,661,398                                  | \$249,267                       | 15.00%               |
| 2017                       | \$1,608,575                                  | \$292,561                       | 18.19%               |
| 2018                       | \$1,552,864                                  | \$344,542                       | 22.19%               |
| 2019                       | \$1,494,357                                  | \$400,766                       | 26.82%               |
| 2020                       | \$1,445,050                                  | \$464,855                       | 32.17%               |
| 2021                       | \$1,404,574                                  | \$535,461                       | 38.12%               |
| 2022                       | \$1,350,599                                  | \$618,841                       | 45.82%               |
| 2023                       | \$1,300,278                                  | \$715,509                       | 55.03%               |
| 2024                       | \$1,249,326                                  | \$821,842                       | 65.78%               |
| 2025                       | \$1,200,392                                  | \$943,946                       | 78.64%               |
| 2026<br>2027               | \$1,152,212<br>\$1,099,640                   | \$1,078,314<br>\$1,221,218      | 93.59%<br>111.06%    |
| 2027                       | \$1,047,866                                  | \$1,373,772                     | 131.10%              |
| 2029                       | \$992,663                                    | \$1,542,792                     | 155.42%              |
| 2030                       | \$933,832                                    | \$1,712,440                     | 183.38%              |
| 2031                       | \$879,539                                    | \$1,893,552                     | 215.29%              |
| 2032                       | \$825,832                                    | \$2,076,042                     | 251.39%              |
| 2033                       | \$774,625                                    | \$2,249,177                     | 290.36%              |
| 2034                       | \$724,639                                    | \$2,412,123                     | 332.87%              |
| 2035                       | \$674,770                                    | \$2,568,720                     | 380.68%              |
| 2036                       | \$622,587                                    | \$2,713,788                     | 435.89%              |
| 2037                       | \$574,021                                    | \$2,885,961                     | 502.76%              |
| 2038<br>2039               | \$527,204<br>\$483,618                       | \$3,099,327<br>\$3,337,226      | 587.88%<br>690.05%   |
| 2040                       | \$441,779                                    | \$3,568,044                     | 807.65%              |
| 2041                       | \$401,841                                    | \$3,784,649                     | 941.83%              |
| 2042                       | \$363,936                                    | \$3,970,886                     | 1091.09%             |
| 2043                       | \$328,169                                    | \$4,126,591                     | 1257.46%             |
| 2044                       | \$294,637                                    | \$4,248,174                     | 1441.83%             |
| 2045                       | \$263,397                                    | \$4,335,156                     | 1645.86%             |
| 2046                       | \$234,471                                    | \$4,393,662                     | 1873.86%             |
| 2047                       | \$207,858                                    | \$4,416,550                     | 2124.79%             |
| 2048                       | \$183,519                                    | \$4,398,930                     | 2396.99%             |
| 2049                       | \$161,396                                    | \$4,337,740                     | 2687.64%             |
| 2050<br>2051               | \$141,403<br>\$123,437                       | \$4,243,675<br>\$4,123,038      | 3001.12%<br>3340.20% |
| 2052                       | \$107,373                                    | \$3,972,249                     | 3699.49%             |
| 2053                       | \$93,081                                     | \$3,799,442                     | 4081.87%             |
| 2054                       | \$80,426                                     | \$3,611,605                     | 4490.59%             |
| 2055                       | \$69,263                                     | \$3,414,122                     | 4929.21%             |
| 2056                       | \$59,456                                     | \$3,208,382                     | 5396.23%             |
| 2057                       | \$50,872                                     | \$2,991,998                     | 5881.42%             |
| 2058                       | \$43,380                                     | \$2,768,189                     | 6381.26%             |
| 2059                       | \$36,864                                     | \$2,543,763                     | 6900.40%             |
| 2060                       | \$31,210                                     | \$2,319,711                     | 7432.59%             |
| 2061                       | \$26,328                                     | \$2,098,935                     | 7972.25%             |
| 2062                       | \$22,127                                     | \$1,884,048                     | 8514.70%             |
| 2063<br>2064               | \$18,519<br>\$15,436                         | \$1,674,539<br>\$1,475,993      | 9042.28%<br>9562.02% |
| 2065                       | \$12,817                                     | \$1,289,278                     | 10059.12%            |
| 2066                       | \$10,594                                     | \$1,113,762                     | 10513.14%            |
| 2067                       | \$8,722                                      | \$953,634                       | 10933.66%            |
| 2068                       | \$7,148                                      | \$810,604                       | 11340.29%            |
| 2069                       | \$5,830                                      | \$684,775                       | 11745.71%            |
| 2070+                      | \$28,315                                     | \$3,875,543                     | 13687.24%            |
|                            | more of E                                    | at 40/ Int                      |                      |
| Sum                        | mary of Experience<br><u>Earned Premium*</u> | at 4% Interest Incurred Claims* | Loss Ratio           |
| Hisorical (YE2014)         | \$14,348,473                                 | \$488,558                       | 3.4%                 |
| Projected Future (2015 +)  | \$20,155,439                                 | \$41,253,319                    | 204.7%               |
| Total Lifetime Anticipated | \$34,503,912                                 | \$41,741,877                    | 121.0%               |
|                            | ,,   | . ,,,                           | /9                   |

<sup>\*</sup>Actuals for 2014 and prior

# Allianz Life Insurance Company of North America National Policy Form Series : 11-P-Q As of 12/31/2014 60% Rate Increase, Best Estimate & Pricing Interest Rate

| Year_                      | Earned Premium*                       | Incurred Claims*                | Loss Ratio           |
|----------------------------|---------------------------------------|---------------------------------|----------------------|
| <u>rea</u>                 | <u>Lanca Fremani</u>                  | incurred Ciains                 | Loss Rado            |
| 2006                       | \$1,720,870                           | \$0                             | 0.0%                 |
| 2007                       | \$11,618,948                          | \$226,659                       | 2.0%                 |
| 2008                       | \$25,153,341                          | \$130,729<br>\$635,798          | 0.5%                 |
| 2009<br>2010               | \$34,229,481<br>\$37,743,853          | \$688,811                       | 1.9%<br>1.8%         |
| 2011                       | \$36,614,035                          | \$1,564,630                     | 4.3%                 |
| 2012                       | \$35,819,346                          | \$3,303,696                     | 9.2%                 |
| 2013                       | \$35,211,460                          | \$3,499,104                     | 9.9%                 |
| 2014                       | \$34,506,297                          | \$2,856,344                     | 8.3%                 |
| 2015                       | \$31,778,831                          | \$5,207,896                     | 16.39%               |
| 2016                       | \$33,052,800                          | \$6,058,493                     | 18.33%               |
| 2017                       | \$43,819,644                          | \$7,163,639                     | 16.35%               |
| 2018                       | \$43,682,301                          | \$8,361,271                     | 19.14%               |
| 2019<br>2020               | \$41,580,101                          | \$9,685,466                     | 23.29%<br>28.00%     |
| 2020                       | \$39,866,164<br>\$38,522,510          | \$11,163,272<br>\$12,801,792    | 33.23%               |
| 2022                       | \$37,107,976                          | \$14,636,888                    | 39.44%               |
| 2023                       | \$35,683,644                          | \$16,651,902                    | 46.67%               |
| 2024                       | \$34,202,307                          | \$18,839,505                    | 55.08%               |
| 2025                       | \$32,682,411                          | \$21,203,410                    | 64.88%               |
| 2026                       | \$31,111,280                          | \$23,706,391                    | 76.20%               |
| 2027                       | \$29,514,268                          | \$26,344,523                    | 89.26%               |
| 2028                       | \$27,884,812                          | \$29,042,446                    | 104.15%              |
| 2029                       | \$26,236,404                          | \$31,806,035                    | 121.23%              |
| 2030                       | \$24,580,882<br>\$22,961,822          | \$34,544,092                    | 140.53%              |
| 2031<br>2032               | \$22,961,822                          | \$37,193,910<br>\$39,693,479    | 161.98%<br>185.80%   |
| 2033                       | \$19,789,957                          | \$41,945,205                    | 211.95%              |
| 2034                       | \$18,254,782                          | \$43,905,649                    | 240.52%              |
| 2035                       | \$16,766,378                          | \$45,517,608                    | 271.48%              |
| 2036                       | \$15,319,879                          | \$46,863,661                    | 305.90%              |
| 2037                       | \$13,922,589                          | \$48,419,772                    | 347.78%              |
| 2038                       | \$12,584,912                          | \$50,387,838                    | 400.38%              |
| 2039                       | \$11,316,566                          | \$52,624,699                    | 465.02%              |
| 2040                       | \$10,116,502                          | \$54,737,193                    | 541.07%              |
| 2041<br>2042               | \$8,988,518                           | \$56,351,923                    | 626.93%              |
| 2042                       | \$7,934,380<br>\$6,963,432            | \$57,411,038<br>\$57,851,393    | 723.57%<br>830.79%   |
| 2044                       | \$6,071,754                           | \$57,668,358                    | 949.78%              |
| 2045                       | \$5,260,112                           | \$56,886,647                    | 1081.47%             |
| 2046                       | \$4,527,453                           | \$55,541,386                    | 1226.77%             |
| 2047                       | \$3,871,394                           | \$53,644,859                    | 1385.67%             |
| 2048                       | \$3,288,841                           | \$51,266,429                    | 1558.80%             |
| 2049                       | \$2,775,935                           | \$48,481,712                    | 1746.50%             |
| 2050                       | \$2,328,112                           | \$45,387,874                    | 1949.56%             |
| 2051                       | \$1,940,374                           | \$42,085,229                    | 2168.92%             |
| 2052<br>2053               | \$1,607,401                           | \$38,666,178                    | 2405.51%<br>2658.97% |
| 2054                       | \$1,323,747<br>\$1,083,990            | \$35,198,020<br>\$31,767,357    | 2930.60%             |
| 2055                       | \$882,883                             | \$28,449,296                    | 3222.32%             |
| 2056                       | \$715,435                             | \$25,289,164                    | 3534.80%             |
| 2057                       | \$576,976                             | \$22,320,277                    | 3868.49%             |
| 2058                       | \$463,214                             | \$19,570,035                    | 4224.84%             |
| 2059                       | \$370,281                             | \$17,064,896                    | 4608.63%             |
| 2060                       | \$294,825                             | \$14,794,401                    | 5018.03%             |
| 2061                       | \$233,872                             | \$12,762,569                    | 5457.07%             |
| 2062                       | \$184,853                             | \$10,966,735                    | 5932.68%             |
| 2063<br>2064               | \$145,595<br>\$114,298                | \$9,386,560<br>\$8,004,297      | 6447.03%<br>7003.01% |
| 2065                       | \$89,463                              | \$6,801,931                     | 7603.07%             |
| 2066                       | \$69,775                              | \$5,760,560                     | 8255.91%             |
| 2067                       | \$54,251                              | \$4,861,032                     | 8960.26%             |
| 2068                       | \$42,035                              | \$4,093,270                     | 9737.77%             |
| 2069                       | \$32,468                              | \$3,441,735                     | 10600.39%            |
| 2070+                      | \$135,320                             | \$19,495,024                    | 14406.61%            |
| 2                          | CE .                                  | . 40/ T                         |                      |
| Sumi                       | mary of Experience<br>Earned Premium* | at 4% Interest Incurred Claims* | Loss Ratio           |
| Hisorical (YE2014)         | \$291,996,853                         | \$14,146,438                    | 4.8%                 |
| Projected Future (2015 +)  | \$510,090,252                         | \$618,757,200                   | 121.3%               |
| Total Lifetime Anticipated | \$802,087,105                         | \$632,903,638                   | 78.9%                |
| F                          |                                       | ,                               |                      |

<sup>\*</sup>Actuals for 2014 and prior

## Allianz Life Insurance Company of North America Virginia Only Policy Form Series : 11-P-Q-VA As of 12/31/2014 60% Rate Increase, Best Estimate & Pricing Interest Rate

| Year                       | Earned Premium*            | Incurred Claims*           | Loss Ratio           |
|----------------------------|----------------------------|----------------------------|----------------------|
| 2006                       | \$11,466                   | \$0                        | 0.0%                 |
| 2007                       | \$543,553                  | \$0                        | 0.0%                 |
| 2008                       | \$1,248,216                | \$0                        | 0.0%                 |
| 2009                       | \$1,687,135                | \$0                        | 0.0%                 |
| 2010                       | \$1,883,282                | \$52,266                   | 2.8%                 |
| 2011                       | \$1,824,924                | \$0<br>\$0                 | 0.0%                 |
| 2012<br>2013               | \$1,777,823<br>\$1,744,916 | \$180,943                  | 0.0%<br>10.4%        |
| 2013                       | \$1,713,245                | \$229,746                  | 13.4%                |
| 2015                       | \$1,583,226                | \$211,305                  | 13.35%               |
| 2016                       | \$1,666,199                | \$246,729                  | 14.81%               |
| 2017                       | \$2,350,617                | \$295,382                  | 12.57%               |
| 2018                       | \$2,404,061                | \$349,406                  | 14.53%               |
| 2019                       | \$2,317,644                | \$406,331                  | 17.53%               |
| 2020                       | \$2,242,614                | \$469,806                  | 20.95%               |
| 2021                       | \$2,181,274                | \$537,837                  | 24.66%               |
| 2022                       | \$2,097,049                | \$618,484                  | 29.49%               |
| 2023<br>2024               | \$2,019,986<br>\$1,941,410 | \$711,268<br>\$812,406     | 35.21%<br>41.85%     |
| 2024                       | \$1,866,795                | \$928,414                  | 49.73%               |
| 2026                       | \$1,793,439                | \$1,055,013                | 58.83%               |
| 2027                       | \$1,712,993                | \$1,189,805                | 69.46%               |
| 2028                       | \$1,633,834                | \$1,332,310                | 81.55%               |
| 2029                       | \$1,548,597                | \$1,488,412                | 96.11%               |
| 2030                       | \$1,457,535                | \$1,644,980                | 112.86%              |
| 2031                       | \$1,373,605                | \$1,811,131                | 131.85%              |
| 2032                       | \$1,290,432                | \$1,977,822                | 153.27%              |
| 2033                       | \$1,211,385                | \$2,135,333                | 176.27%              |
| 2034<br>2035               | \$1,134,155                | \$2,281,820                | 201.19%              |
| 2036                       | \$1,057,636<br>\$980,059   | \$2,420,498<br>\$2,548,134 | 228.86%<br>260.00%   |
| 2037                       | \$904,223                  | \$2,702,813                | 298.91%              |
| 2038                       | \$831,010                  | \$2,896,692                | 348.57%              |
| 2039                       | \$762,891                  | \$3,111,743                | 407.89%              |
| 2040                       | \$697,391                  | \$3,317,846                | 475.75%              |
| 2041                       | \$634,761                  | \$3,508,887                | 552.79%              |
| 2042                       | \$575,231                  | \$3,672,069                | 638.36%              |
| 2043                       | \$518,991                  | \$3,805,781                | 733.30%              |
| 2044                       | \$466,196                  | \$3,906,713                | 838.00%              |
| 2045<br>2046               | \$416,959                  | \$3,977,654                | 953.97%<br>1083.65%  |
| 2047                       | \$371,327<br>\$329,306     | \$4,023,893<br>\$4,034,361 | 1225.11%             |
| 2048                       | \$290,852                  | \$4,007,237                | 1377.76%             |
| 2049                       | \$255,879                  | \$3,937,659                | 1538.88%             |
| 2050                       | \$224,264                  | \$3,838,037                | 1711.39%             |
| 2051                       | \$195,850                  | \$3,715,137                | 1896.93%             |
| 2052                       | \$170,441                  | \$3,567,204                | 2092.93%             |
| 2053                       | \$147,836                  | \$3,400,753                | 2300.36%             |
| 2054                       | \$127,817                  | \$3,222,792                | 2521.41%             |
| 2055                       | \$110,164                  | \$3,036,402                | 2756.26%             |
| 2056                       | \$94,656                   | \$2,844,067                | 3004.63%             |
| 2057<br>2058               | \$81,079<br>\$69,230       | \$2,644,331<br>\$2,439,477 | 3261.43%<br>3523.73% |
| 2059                       | \$58,927                   | \$2,235,938                | 3794.42%             |
| 2060                       | \$49,994                   | \$2,034,540                | 4069.57%             |
| 2061                       | \$42,275                   | \$1,837,868                | 4347.41%             |
| 2062                       | \$35,622                   | \$1,648,033                | 4626.45%             |
| 2063                       | \$29,914                   | \$1,464,473                | 4895.61%             |
| 2064                       | \$25,026                   | \$1,291,995                | 5162.61%             |
| 2065                       | \$20,863                   | \$1,131,084                | 5421.48%             |
| 2066                       | \$17,324                   | \$980,626                  | 5660.51%             |
| 2067                       | \$14,331                   | \$844,022                  | 5889.48%             |
| 2068                       | \$11,806<br>\$9,686        | \$722,020<br>\$614,756     | 6115.70%             |
| 2069<br>2070+              | \$9,686<br>\$47,855        | \$3,637,265                | 6346.85%<br>7600.60% |
| 2010+                      | φ+1,033                    | φ3,037,203                 | 7000.00%             |
| Sum                        | mary of Experience         | at 4% Interest             |                      |
|                            | Earned Premium*            | Incurred Claims*           | Loss Ratio           |
| Hisorical (YE2014)         | \$14,348,473               | \$488,558                  | 3.4%                 |
| Projected Future (2015 +)  | \$29,360,018               | \$38,431,246               | 130.9%               |
| Total Lifetime Anticipated | \$43,708,491               | \$38,919,804               | 89.0%                |
|                            |                            |                            |                      |

\*Actuals for 2014 and prior

#### Exhibit 8 58/85 Calculations

#### Allianz Life Insurance of North America

#### National

Following the format of Section 20(C)(2) of Model 641 (Long-Term Care Insurance Model Regulation), the "58/85" calculation is as follows (all dollar values in millions):

| a) | The accumulated value of the initial earned premium is 58% of this value:  | 292.00<br>169.36                   |
|----|--|------------------------------------|
| b) | The accumulated value of prior premium rate schedule increases is 85% of this value:   | 0.00<br>0.00                       |
| c) | The present value of future projected initial earned premiums is 58% of this value:  | 368.50<br>213.73                   |
| d) | The present value of future projected earned premium from prior premium rate schedule increases is PV of future projected EP from 60% increase:  Combined:  85% of this value: | 0.00<br>221.10<br>221.10<br>187.93 |
| e) | The accumulated value of past incurred claims is The present value of future projected incurred claims is sum of these 2 values:   | 14.15<br>720.75<br>734.90          |
| f) | The sum of a,b,c and d is This amount is less than e)  | 571.02<br>734.90                   |

<sup>\*</sup>Maximum justified rate increase is over 110%

#### National Impact on Premiums Allianz Life Insurance of North America

Policy Form: 11-P-Q

| Policy Form: 11-P-Q Assumption   Original Pricing Assumption   Current Best Estimate Assumption |   |  |  |  |  |
|---|---|--|--|--|--|
| Original Loss Ratio   | 65.50%  | N/A  |  |  |  |
| Morbidity   | Claim Cost Development Morbidity – Claim costs were developed using Milliman, USA's 2002 edition of their Long Term Care Guidelines (Guidelines). The Guidelines were developed from public sources as well as an internal database of \$1.8 billion of Long Term Care insurance claims. Milliman then created and validated the morbidity adjustment factors using their Long Term Care insurance claim data base. Allianz then made some additional adjustments to ensure consistency with several additional sources of claim costs, including the 1997 National Nursing Home Study, and two long term care reinsurers.  | Attained age claim costs and Waiver of Premium benefits used in projecting future experience for this form have been developed utilizing Company-specific policy experience enhanced with other industry data as needed. Claim costs vary by joint policy status (joint vs. single), gender and level of home health care (70%, 100% or 130%) with adjustments for elimination periods and riders.  There is no morbidity load for anti-selection since this will be the first rate increase for these policies. The impact of underwriting has worn off and the claim projection does not include any future morbidity deterioration or improvements. |  |  |  |
| Mortality   | Mortality - 1994 Group Annuity Reserving Table, with select factors of .5, .6, .7, .8, .9, 1.0 (years 6+)   | The projected future experience uses 80% of the gender-distinct 1994 GAM table for mortality without future improvements.  |  |  |  |
| Lapse   | Lapse rates vary by inflation protection option, duration, premium payment pattern, and individual policy versus policy with spousal discount rider. Lapse rates are based on our own insured experience. Ultimate lapse rates are consistent with our own insured experience as well as industryn experience and judgement.  Lapse assumptions for policies with the Paid Up at Age 65 rider will use lapse assumptions identical to those used with the Ten-Year Premium Payment Rider for years one through five. Lapse rates after year five will linearly grade to zero over the remaining years until the insured becomes age 65. For policies issued with simplified underwriting an additional 50 basis points is added to the base lapse assumptions until the insured becomes age 65. This is because persistency is expected to be worse until the insured reaches a retirement age of 65. After age 65, lapse assumptions are identical to base lapse assumptions.  See table 10.1 on next page | 2 3.40 % 3 2.20 % 4 1.50 % 5 1.00 % 6 0.90 % 7 0.75 % (for all durations 7 and above)  Additional lapses caused by exhaustion of benefits are also modeled using claim incidence and continuance rates. The total terminations that are  |  |  |  |
| Interest Rate   | 4.00%   | 4.00%  |  |  |  |
| Expense   | Acquisition - See table 10.2 on next page An additional 12.5% of first year premiums - for acquisition costs An additional 14% of first year premiums - for marketing expenses Maintenance: \$65 all years Claims Administration: 4% (for \$50 - \$99 daily benefit) and 6% (for \$100 - \$500 daily benefit) of base incurred claims, (excludes COLA portion of claims) (5% used for simplified underwriting) Percent of Premium: 2.5% of gross premium  | Changes in expense are not used to justify the rate increase and are not included in this analysis. It is assumed that original expense assumptions are still appropriate.   |  |  |  |

Table 9.1 - Lapse Rates

| . 00.0 3.1 | Lupse Nates                     |                        |          |  |  |
|------------|---------------------------------|------------------------|----------|--|--|
|            |                                 | INDIVIDUAL POLICY      |          |  |  |
|            | No 3% and 4% Lifetime 5% Lifeti |                        |          |  |  |
|            | COLA                            | Compound, 2X Compound, | Compound |  |  |
|            |                                 | and 5% Simple          |          |  |  |
| Yr 1       | 7.00%                           | 6.00%                  | 5.00%    |  |  |
| 2          | 6.00%                           | 5.00%                  | 4.00%    |  |  |
| 3          | 5.00%                           | 4.00%                  | 3.00%    |  |  |
| 4          | 3.50%                           | 2.75%                  | 2.00%    |  |  |
| 5+         | 2.25%                           | 1.75%                  | 1.25%    |  |  |

|      | INDIVIDUAL POLICY WITH TEN-YEAR PREMIUM PAYMENT RIDER |                        |             |  |  |
|------|---|------------------------|-------------|--|--|
|      | No  | 3% and 4% Lifetime     | 5% Lifetime |  |  |
|      | COLA  | Compound, 2X Compound, | Compound    |  |  |
|      |   | and 5% Simple          |             |  |  |
| Yr 1 | 7.00%   | 6.00%                  | 5.00%       |  |  |
| 2    | 6.00%   | 5.00%                  | 4.00%       |  |  |
| 3    | 5.00%   | 4.00%                  | 3.00%       |  |  |
| 4    | 3.50%   | 2.75%                  | 2.00%       |  |  |
| 5+   | 2.25%   | 1.75%                  | 1.25%       |  |  |
| 6    | 1.80%   | 1.40%                  | 1.00%       |  |  |
| 7    | 1.35%   | 1.05%                  | 0.75%       |  |  |
| 8    | 0.90%   | 0.70%                  | 0.50%       |  |  |
| 9    | 0.45%   | 0.35%                  | 0.25%       |  |  |
| 10+  | 0.00%   | 0.00%                  | 0.00%       |  |  |

|      | WITH SPOUSAL DISCOUNT RIDER |                        |             |
|------|-----------------------------|------------------------|-------------|
|      | No                          | 3% and 4% Lifetime     | 5% Lifetime |
|      | COLA                        | Compound, 2X Compound, | Compound    |
|      |                             | and 5% Simple          |             |
| Yr 1 | 6.00%                       | 4.50%                  | 3.00%       |
| 2    | 4.00%                       | 3.00%                  | 2.00%       |
| 3    | 3.00%                       | 2.25%                  | 1.50%       |
| 4    | 2.50%                       | 1.75%                  | 1.00%       |
| 5+   | 2.00%                       | 1.50%                  | 1.00%       |

|      | WITH SPOUSAL DISCOUND RIDER AND WITH TEN-YEAR PREMIUM PAYMENT RIDER |                        |             |
|------|---|------------------------|-------------|
|      | No  | 3% and 4% Lifetime     | 5% Lifetime |
|      | COLA  | Compound, 2X Compound, | Compound    |
|      |   | and 5% Simple          |             |
| Yr 1 | 6.00%   | 4.50%                  | 3.00%       |
| 2    | 4.00%   | 3.00%                  | 2.00%       |
| 3    | 3.00%   | 2.25%                  | 1.50%       |
| 4    | 2.50%   | 1.75%                  | 1.00%       |
| 5+   | 2.00%   | 1.50%                  | 1.00%       |
| 6    | 1.60%   | 1.20%                  | 0.80%       |
| 7    | 1.20%   | 0.90%                  | 0.60%       |
| 8    | 0.80%   | 0.60%                  | 0.40%       |
| 9    | 0.40%   | 0.30%                  | 0.20%       |
| 10+  | 0.00%   | 0.00%                  | 0.00%       |

Table 9.2 - Acquisition Expense

|          | Regular      | Simplified   |
|----------|--------------|--------------|
| Age      | Underwriting | Underwriting |
| 18-44    | \$510        | \$314        |
| 45-49    | \$520        | \$320        |
| 50-54    | \$525        | \$323        |
| 55-59    | \$550        | \$338        |
| 60-64    | \$610        | \$375        |
| 65-69    | \$680        | \$418        |
| 70-74    | \$1,150      | \$708        |
| 75-79    | \$1,400      | \$862        |
| 80-84    | \$1,500      | \$923        |
|          |              |              |
| Avg Cost | \$650        | \$400        |

**Reset Form** 

## Health Insurance Rate Request Summary Part 1 – To Be Completed By Company

| Company Name and NAIC Number:   | Allianz Life Insurance Company of North America - 90611   |  |  |
|---|---|--|--|
| SERFF Tracking Number:  | ALLB-130164458  |  |  |
| Effective Date:   | Jpon Approval   |  |  |
| (Projected) Number of Insureds<br>Affected:<br>New Rates<br>Average Annual Premium Pe | 742 er Member: N/A  |  |  |
| Revised Rates   |   |  |  |
| Average Annual Premium Pe   | 9r Member: 3,265  |  |  |
| Average Requested Percenta  | age Rate Change Per Member: 60%   |  |  |
|   | tage Rate Change Per Member:  |  |  |
| Maximum Requested Percen  | ntage Rate Change Per Member: 80  |  |  |
| Plans Affected<br>(The Form Number and "Product Nai                                   | me")  |  |  |
| Form#   | "Product Name"(if applicable)   |  |  |
| 11-P-Q-VA<br>10-R1<br>10-R2<br>10-R3<br>10-R4<br>10-R5                                | Generation Protector II |  |  |

Attach a brief narrative to summarize the key information used to develop the rates including the main drivers for new or revised rates.

This document is intended to help explain the rate filing and it is only a summary of the company's request. It is not intended to describe or include all factors or information considered in the review process. For more detailed information, please refer to the complete filing.

When Allianz designed the LTC products years ago, we based your initial premium on actuarial assumptions, using the best information available to us at that time. We continually monitor LTC policies and work to balance the needs of our LTC policyholders with the sustainability of the business. LTC insurance rates are affected by many complex factors including interest rates, the number of people who continue coverage, how many of them collect benefits, and for how long.

Based on our actual experience, it's clear we will need to pay substantially more claims that anticipated. We know that policyholders are keeping their policies longer than originally expected, and therefore are incurring more claims due to the longer duration. As a result of these longer durations coupled with higher utilization, we are experiencing increases in claims costs.

We realize the rate increase is difficult for our policyholders, and assure you that we considered all of our options very carefully before increasing your premium.